A3840-1

EMPLOYEE BENEFITS 1983

Survey Research Section, Research Center, Economic Policy Division
Chamber of Commerce of the United States
1615 H Street, N.W., Washington, D.C. 20062

U.S. CHAMBER
SURVEY RESEARCH SECTION

You must know people who should see

EMPLOYEE BENEFITS 1983

Copies are available postpaid:
1-9 copies..... $17.50 each
10-49 copies..... $14.00 each
50-99 copies..... $12.25 each
100 copies or more ..... Quantity discounts available

Add appropriate sales tax for deliveries in California and the District of Columbia.

Order from Publications Fulfillment (RKVL) Chamber of Commerce of the United States
1615 H St., N.W.
Washington, D.C. 20062

Please enclose check or money order made payable to:
Chamber of Commerce of the United States

Copyright Notice

Any reproduction of this document in whole or in part is expressly prohibited unless specific authorization to reproduce is obtained from the office of the General Counsel, Chamber of Commerce of the United States, 1615 H Street, N.W., Washington, D.C. 20062.

Copyright © 1984 by the Chamber of Commerce of the United States
ISBN 0-89834-060-8

Dr. Richard W. Rahn
Vice President and Chief Economist

Dr. John Volpe
Associate Chief Economist

Dr. James R. Morris, Director
Survey Research Section

Ms. Christine Boisseau
Research Assistant

EMPLOYEE BENEFITS 1984

The EMPLOYEE BENEFITS reports are published annually.
Questionnaires for the 1984 survey will be mailed in January 1985. The survey report EMPLOYEE BENEFITS 1984 is expected to be available in October or November 1985. Information regarding price of the 1984 report can be secured in October 1985 from Employee Benefits Survey, Economic Policy, Chamber of Commerce of the United States, Washington, D.C. 20062.

Cover design by Lydia Weber

CONTENTS

Page

1. Introduction 4
2. Summary of Findings 5
3. Distribution of Benefit Payments 6
4. Average Benefit Payments 8
5. Industry Variations 9
6. Regional Variations 14
7. Size of Company Variations 15
8. Pension and Insurance Costs 16
9. Percent of Companies Paying Employee Benefits 20
10. Payroll Deductions for Employee Benefits 23
11. Wage and Payroll Data 24
12. Benefits as Percent of Payroll, 1951 to 1983 27
13. Total Employee Benefit Costs 29
14. Supplements to Wages and Salaries (United States Department of Commerce Data) 31
15. How Employee Benefits Were Surveyed 33
16. Copy of Questionnaire Used in Survey 34

TABLES

1. Distribution of Employee Benefits, 1983 6
2. Five Levels of Employee Benefits, 1983 6
3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1983 7
4. Employee Benefits, by Type of Benefit, 1983 8
5. Major Types of Employee Benefits, by Industry Groups, 1983 9
6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1983 11
7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1983 12
8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Groups, 1983 13
9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1983 14
10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1983 15
11. Pension Payments, by Industry Groups, 1983 16
12. Insurance Payments, by Industry Groups, 1983 17
13. Insurance Payments, by Type of Insurance, 1983 18
14. Employee Payroll Deductions for Pensions and Insurance, 1983 19
15. Percent of Companies Paying Employee Benefits, 1983 21
16. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1983 22
17. Payroll Deductions for Employee Benefits, 1983 23
18. Wage Data, by Industry Groups, 1983 25
19. Estimated Total Employee Benefit Payments, 1983 29
20. Growth of Employee Benefits, 1929 to 1983 30
21. Supplements to Wages and Salaries, 1929 to 1983 31

CHARTS

1. Employee Benefits as Percent of Payroll, by Industry Groups, 1,454 Companies, 1983 10
2. Annual Employee Benefits and Earnings per Employee, 1983 26
3. Total Employee Benefits as Percent of Payroll, 1951 to 1983 28
4. Supplements to Wages and Salaries, 1929 to 1983 32

1. INTRODUCTION

Employee benefit growth during recent years has substantially improved worker well-being, and has also increased the cost of doing business.

Payments for vacations, holidays, rest periods, etc., constitute almost one-third of total employee benefits. These payments are included in most government wage reports as a portion of employee wages. Such payments give employees increased compensation for each hour actually on the job. Thus, they also increase the employer's cost for each hour of productive labor.

Pension, insurance, Social Security, and other employer payments for nonwage employee benefits are not part of the payroll, and are not reflected in current income or wages of employees. Such benefits, however, greatly improve employee security and well-being, and also increase the cost of doing business.

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

Thirty-six years ago, the Chamber of Commerce of the United States noted the scarcity of statistical information regarding the scope and nature of employee benefits, and conducted the first comprehensive employee benefit study for a cross section of American industry. This study was widely and favorably received. At the request of employers it was repeated biennially with extended coverage and in greater detail.

Responding to numerous requests of employers for more frequent data, we are now conducting annual surveys.

This twenty-second study was possible only with the cooperation of the 1,454 reporting employers who sorted through their records to furnish the detailed information requested, frequently at considerable cost to themselves. We wish to thank them for their help.

Several organizations cooperated with the U.S. Chamber in this study. The Hospital Association of New York State, Kansas City Area Hospital Association, a group of Baltimore hospitials, and the American Paper Institute sent copies of the Questionnaire to some of their members. We greatly appreciate the assistance of these organizations in helping us improve the coverage of this survey.

This survey was conducted in the U.S. Chamber's Survey Research Section, Economic Policy Division, by James R. Morris.

RICHARD W. RAHN
Vice President and
Chief Economist

December 1984

2. SUMMARY OF FINDINGS

The survey is generally limited to *hourly rated employees*, whose pay varies with the number of hours worked, except for banks, financial institutions etc. (See item 2 in the instructions for the questionnaire, on page 34.)

Following are some of the principal findings from the study.

1. Employee benefit payments varied widely among the 1,454 reporting companies, ranging from less than 18 percent to more than 65 percent of payroll and from under $3,500 to more than $13,000 yearly per employee (Table 1).
2. The average payment in 1983 was 36.6 percent of payroll, $3.69 per payroll hour, and $7,582 per year per employee (Table 2).
3. Industry payments varied widely. Wholesale and retail trade (other than department stores) averaged 29.0 percent while primary metal industries paid 47.1 percent (Table 6).
4. Highest payments were made in the East North Central states, followed by the Northeastern states, Western states, and the Southeastern states (Table 9).
5. The largest firms paid higher benefits than smaller firms (Table 10).
6. Payments for nongovernment pensions were reported by 83 percent of the companies (Table 15), with pension payments for these firms averaging 5.9 percent of payroll (Table 16).
7. All but 14 companies reported payments for employee insurance programs, with these insurance payments averaging 7.1 percent of payroll (Table 12).
8. Payrolls of reporting companies included 94.5 percent for straight-time pay, 2.8 percent for overtime premium pay, 0.6 percent for holiday premium pay, 0.5 percent for shift differential, 1.1 percent for earned incentive or production bonus *(5.2 percent for companies making profit-sharing payments*—Table 16), and 0.5 percent for other payroll items (Table 18).
9. Employee payroll deductions for benefits included 6.3 percent for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes); less than 0.05 percent for Railroad Retirement and state sickness benefits insurance taxes; 0.4 percent for pensions; and 1.0 percent for life, hospitalization, surgical, and other insurance (Table 17).

3. DISTRIBUTION OF BENEFIT PAYMENTS

Payments for employee benefits varied widely among the 1,454 reporting companies. At one extreme were 35 companies paying less than 18 percent of payroll for benefits, while 14 firms paid 65 percent or more.

Expressed as cents per payroll hour, the range was even more extreme. Thirty-nine firms paid less than $1.50 an hour, while 28 firms paid $7.00 or more. On an annual basis, 70 firms paid less than $3,500 per employee, and 63 firms paid $13,000 or more.

The distribution of benefit payments for the 1,454 companies is shown in Table 1.

One-tenth of the firms paid more than 48.9 percent of payroll for benefits, while one-fourth paid more than 41.7 percent, as shown in Table 2. Half the firms paid more than 35.7 percent, three-fourths paid more than 29.8 percent, and nine-tenths more than 23.9 percent. The arithmetic mean or average payment was 36.6 percent. This was somewhat larger than the middle payment of 35.7 percent, since it was influenced by the high-paying companies.

Corresponding data as cents per payroll hour and as annual dollars per employee are also shown in Table 2.

Within individual industries, benefit payments also varied widely. Payments in the pulp, paper, lumber, and furniture industry varied from under 18 percent to more than 65 percent, a range that was found in several industries. In primary metal industries they varied from under 20 percent to more than 65 percent. The distribution of individual company payments by industry groups is shown in Table 3.

TABLE 1. Distribution of Employee Benefits, 1983

Percent of payroll		Cents per payroll hour		Dollars per year per employee	
Percent	Number of companies	Cents	Number of companies	Dollars	Number of companies
Under 18.0%	35	Under 150.0¢	39	Under $3,500	70
18.0-19.9	31	150.0-174.9	43	3,500-3,999	38
20.0-21.9	39	175.0-199.9	36	4,000-4,499	56
22.0-23.9	42	200.0-224.9	61	4,500-4,999	78
24.0-25.9	55	225.0-249.9	87	5,000-5,499	102
26.0-27.9	70	250.0-274.9	118	5,500-5,999	125
28.0-29.9	96	275.0-299.9	112	6,000-6,499	91
30.0-31.9	124	300.0-324.9	104	6,500-6,999	122
32.0-33.9	125	325.0-349.9	111	7,000-7,499	107
34.0-35.9	131	350.0-374.9	118	7,500-7,999	111
36.0-37.9	147	375.0-399.9	104	8,000-8,499	79
38.0-39.9	107	400.0-424.9	74	8,500-8,999	78
40.0-41.9	101	425.0-449.9	80	9,000-9,499	68
42.0-43.9	74	450.0-474.9	78	9,500-9,999	75
44.0-45.9	65	475.0-499.9	63	10,000-10,499	44
46.0-47.9	52	500.0-524.9	50	10,500-10,999	43
48.0-49.9	41	525.0-549.9	35	11,000-11,499	32
50.0-54.9	57	550.0-574.9	39	11,500-11,999	36
55.0-59.9	37	575.0-599.9	20	12,000-12,499	22
60.0-64.9	11	600.0-699.9	54	12,500-12,999	14
65.0 and over	14	700.0 and over	28	13,000 and over	63
TOTAL	1,454	TOTAL	1,454	TOTAL	1,454

TABLE 2. Five Levels of Employee Benefits, 1983

Item	As percent of payroll	Cents per payroll hour	Dollars per year per employee
10% of firms paid more than	48.9%	546.2¢	$11,263
25% of firms paid more than	41.7	450.4	9,214
50% of firms paid more than	35.7	352.2	7,192
75% of firms paid more than	29.8	271.5	5,565
90% of firms paid more than	23.9	210.8	4,337
Mean or average payment	36.6%	369.1¢	$ 7,582

TABLE 3. Distribution of Employee Benefits as Percent of Payroll, by Industry Groups, 1983

Total employee benefits as percent of payroll	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Under 18.0%	35	13	3	2	2	...	2	...	1	...	...	1	...	...	...	2	22	1	1	5	2	3	1	9
18.0-19.9	31	9	...	2	2	...	...	...	...	...	...	...	3	1	...	1	22	2	...	4	1	...	4	11
20.0-21.9	39	14	1	2	5	...	...	...	2	...	1	1	1	1	...	...	25	1	1	2	2	1	5	13
22.0-23.9	42	16	3	2	3	...	1	...	1	...	...	2	...	3	1	...	26	2	...	4	5	3	6	6
24.0-25.9	55	16	3	2	1	1	...	...	...	...	1	1	2	4	...	1	39	1	2	3	7	1	11	14
26.0-27.9	70	29	...	6	2	1	...	1	2	1	...	...	5	7	2	2	41	...	...	3	5	3	17	13
28.0-29.9	96	46	1	1	5	2	3	...	2	2	5	4	6	8	4	3	50	4	2	4	13	5	17	5
30.0-31.9	124	40	4	2	4	2	2	1	1	1	1	4	4	10	1	3	84	12	...	3	13	13	24	19
32.0-33.9	125	42	1	3	2	2	3	2	2	3	1	3	5	8	4	3	83	6	2	3	14	13	25	20
34.0-35.9	131	50	2	4	2	5	2	1	1	1	3	6	5	11	3	4	81	13	3	4	9	16	21	15
36.0-37.9	147	60	6	2	2	2	1	1	2	...	...	6	12	16	7	3	87	17	...	1	13	12	17	27
38.0-39.9	107	46	3	1	4	4	1	...	...	2	3	5	5	8	4	6	61	19	2	2	3	14	10	11
40.0-41.9	101	48	4	...	2	2	6	2	1	1	...	10	7	5	3	5	53	23	1	1	11	9	4	4
42.0-43.9	74	42	2	1	1	1	4	...	3	2	6	5	7	3	4	3	32	12	...	1	6	7	3	3
44.0-45.9	65	33	1	...	3	4	3	1	2	1	1	5	5	3	3	1	32	14	...	...	8	3	4	3
46.0-47.9	52	29	...	1	...	...	5	1	...	...	1	5	9	5	...	2	23	7	...	1	8	4	1	2
48.0-49.9	41	25	2	1	...	2	2	2	2	...	2	2	4	2	3	1	16	7	...	...	1	4	...	4
50.0-54.9	57	40	4	1	3	1	2	2	...	2	6	3	9	4	1	2	17	8	...	...	2	1	...	6
55.0-59.9	37	25	2	...	1	...	2	...	1	...	7	3	1	5	1	2	12	7	...	1	2	...	...	2
60.0-64.9	11	9	...	...	...	...	...	...	...	...	6	...	1	...	2	...	2	1	...	...	...	...	...	1
65.0 and over	14	11	...	...	1	...	...	...	...	...	2	2	5	...	1	...	3	...	...	...	1	...	...	2
Total companies	1,454	643	42	33	45	29	39	14	23	16	46	68	96	104	44	44	811	157	14	42	126	112	170	190
50% of companies paid more than	35.7	37.6	37.2	30.0	31.5	38.0	41.7	41.5	36.0	38.5	48.5	40.3	40.1	35.9	38.3	38.2	34.3	40.1	33.5	28.3	34.3	35.8	32.1	32.1

*Includes research, engineering, education, government agencies, construction, etc.

4. AVERAGE BENEFIT PAYMENTS

Employee benefit payments in 1983 averaged 36.6 percent of payroll for all companies. Included were:

Legally required payments (employer's share only)	9.0%
Pension, insurance, and other agreed-upon payments (employer's share only)	13.6%
Paid rest periods, lunch periods, etc.	2.3%
Payments for vacations, holidays, sick leave, etc.	9.4%
Profit-sharing payments, bonuses, etc.	2.3%
Total	36.6%

As shown in Table 4, the manufacturing companies averaged 38.7 percent, somewhat more than the all-company average, while the nonmanufacturing companies averaged 34.9 percent.

Manufacturing firms had higher benefit payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes), Unemployment Compensation, workers' compensation, life and health insurance premiums, vacations, and paid holidays.

Nonmanufacturing firms had higher payments for nongovernment pensions, sick leave, employee meals furnished free, and discounts on goods and services purchased from the company.

TABLE 4. Employee Benefits, by Type of Benefit, 1983

Type of benefit	Total, all companies	Total, all manufacturing	Total, all nonmanufacturing
Total employee benefits as percent of payroll	36.6	38.7	34.9
1. Legally required payments (employer's share only)	9.0	10.1	8.1
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	6.3	6.4	6.2
b. Unemployment Compensation	1.4	1.8	1.0
c. Workers' compensation (including estimated cost of self-insured)	1.2	1.8	0.8
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.1	0.1	0.1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	13.6	14.2	13.0
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.0	4.4	5.4
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	7.0	8.4	6.0
c. Short-term disability	0.3	0.5	0.2
d. Salary continuation or long-term disability	0.3	0.2	0.3
e. Dental insurance premiums	0.5	0.5	0.4
f. Discounts on goods and services purchased from company by employees	0.1	*	0.2
g. Employee meals furnished by company	0.1	*	0.2
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	0.3	0.2	0.3
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	2.3	2.4	2.1
4. Payments for time not worked	9.4	9.6	9.6
a. Paid vacations and payments in lieu of vacation	4.8	5.1	4.7
b. Payments for holidays not worked	2.9	3.2	2.7
c. Paid sick leave	1.3	0.9	1.7
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.4	0.5
5. Other items	2.3	2.4	2.1
a. Profit-sharing payments	1.0	1.2	0.9
b. Contributions to employee thrift plans	0.5	0.4	0.5
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.3	0.5	0.2
d. Employee education expenditures (tuition refunds, etc.)	0.3	0.1	0.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.2
Total employee benefits as cents per payroll hour	369.1	393.2	349.9
Total employee benefits as dollars per year per employee	7,582	8,110	7,163

**Less than 0.05%*

***Figure shown is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.*

5. INDUSTRY VARIATIONS

Employee benefit payments varied widely from industry to industry. The primary metal industries paid 47.1 percent, followed by the transportation equipment industry paying 40.9 percent, and the petroleum industry paying 40.7 percent. Wholesale and retail trade (other than department stores) paid 29.0 percent, and both department stores and hospitals paid 31.8 percent.

Expressed as cents per payroll hour, payments were 574.4 cents for the petroleum industry and 193.8 cents for textile products and apparel. Annual dollars per year per employee were $12,122 for the petroleum industry and $3,968 for textile products and apparel.

Additional summary data on benefit payments by industries are shown in Table 5 and Chart 1.

More complete details regarding benefits as percent of payroll, cents per payroll hour, and annual dollars per employee are shown in Tables 6, 7, and 8.

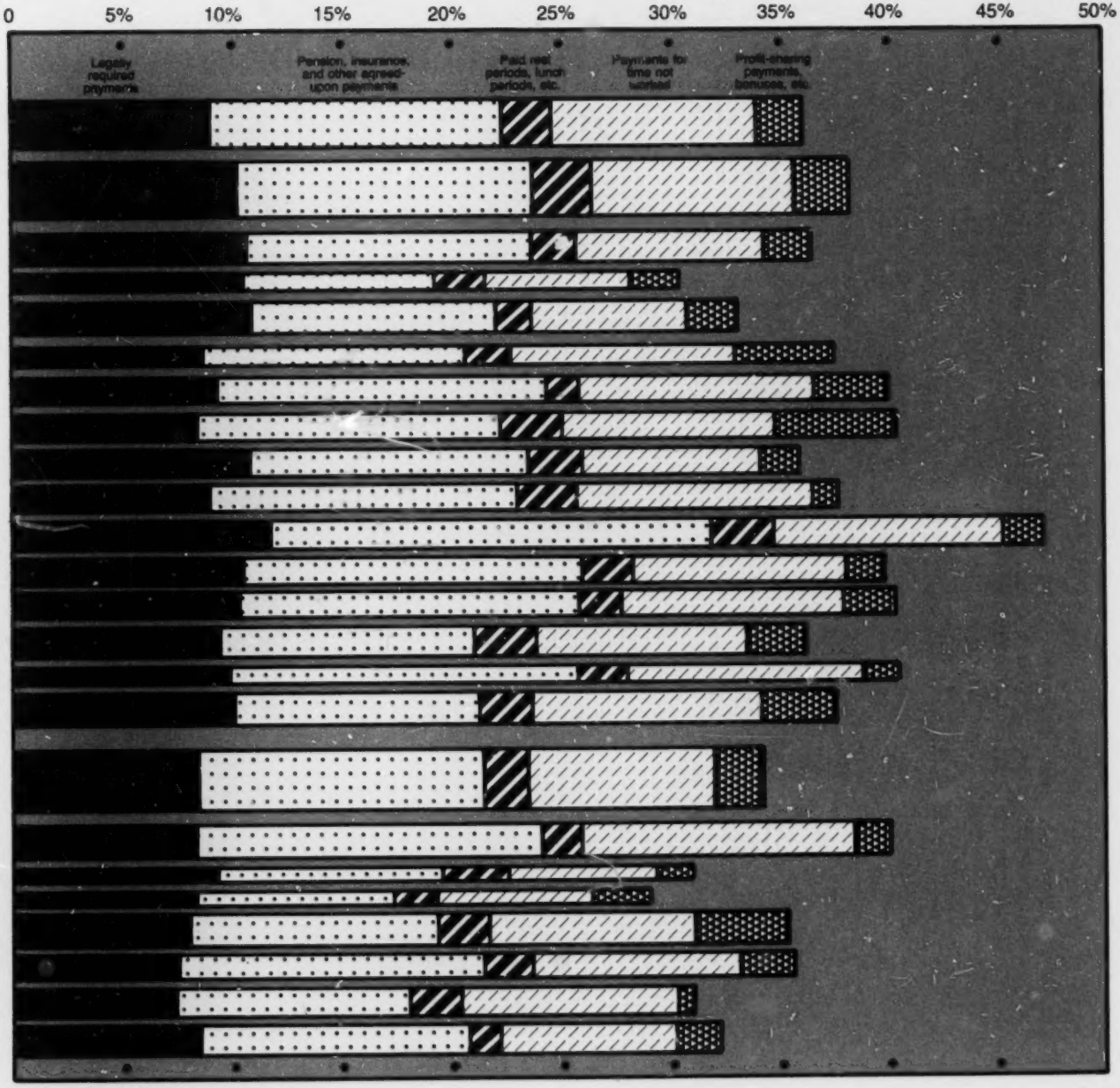
TABLE 5. Major Types of Employee Benefits, by Industry Groups, 1983

Industry group	Employee benefits as percent of payroll						Total employee benefits as cents per payroll hour	Total employee benefits as dollars per year per employee	Number of companies
	Total, all employee benefits	Legally required payments (employer's share only)	Pension, insurance, and other agreed-upon payments (employer's share only)	Paid rest periods, lunch periods, etc.	Payment for time not worked	Profit-sharing payments, bonuses, etc.			
Total, all industries	36.6	9.0	13.6	2.3	9.4	2.3	369.1	7,582	1,454
Total, all manufacturing	38.7	10.1	14.2	2.4	9.6	2.4	393.2	8,110	643
Manufacture of:									
Food, beverages, and tobacco	36.7	10.7	13.4	2.2	8.1	2.3	338.8	7,083	42
Textile products and apparel	30.5	10.6	8.8	2.8	6.2	2.1	193.8	3,968	33
Pulp, paper, lumber, and furniture	33.3	11.0	11.2	1.6	7.4	2.1	319.0	6,656	45
Printing and publishing	37.6	8.7	12.3	2.4	10.2	4.0	407.7	8,216	29
Chemicals and allied products	40.0	9.0	15.1	1.7	11.0	3.2	442.3	9,198	39
Petroleum industry	40.7	8.4	14.9	2.4	9.9	5.1	574.4	12,122	14
Rubber, leather, and plastic products	36.2	11.3	13.0	2.1	8.3	1.5	345.9	6,979	23
Stone, clay, and glass products	37.9	9.5	14.6	3.0	9.8	1.0	407.3	8,112	16
Primary metal industries	47.1	12.4	19.7	2.3	10.8	1.9	515.7	10,422	46
Fabricated metal products (excluding machinery and transportation equipment)	39.8	10.7	15.6	2.8	8.9	1.8	372.6	7,776	68
Machinery (excluding electrical)	40.4	10.5	15.8	2.2	9.5	2.4	458.5	9,296	96
Electrical machinery, equipment, and supplies	36.6	9.1	12.3	2.6	9.9	2.7	355.4	7,406	104
Transportation equipment	40.9	9.9	16.4	2.5	10.9	1.2	471.1	9,794	44
Instruments and miscellaneous manufacturing industries	37.4	10.0	11.6	2.9	9.6	3.3	357.5	7,457	44
Total, all nonmanufacturing	34.9	8.1	13.0	2.1	9.6	2.1	349.9	7,163	811
Public utilities (electric, gas, water, telephone, etc.)	40.0	8.0	16.8	2.0	11.4	1.8	484.8	10,142	157
Department Stores	31.8	9.6	10.3	3.5	7.3	1.1	184.2	3,721	14
Trade (wholesale and other retail)	29.0	8.8	9.2	2.0	6.4	2.6	241.2	4,956	42
Banks, finance companies, and trust companies	35.6	8.1	11.8	2.4	9.0	4.3	308.1	6,277	126
Insurance companies	35.8	7.8	14.1	2.3	9.5	2.1	343.3	6,833	112
Hospitals	31.8	7.7	10.7	2.5	10.1	0.8	276.6	5,728	170
Miscellaneous nonmanufacturing industries*	32.8	8.1	12.1	1.8	8.6	2.2	370.0	7,511	190

**Includes research, engineering, education, government agencies, construction, etc.*

CHART 1. Employee Benefits as Percent of Payroll, by Industry Groups, 1,454 Companies, 1983

Industry group	Percent of payroll
Total, all industries	36.6
Total, all manufacturing	38.7
Manufacture of:	
Food, beverages, and tobacco	36.7
Textile products and apparel	30.5
Pulp, paper, lumber, and furniture	33.3
Printing and publishing	37.6
Chemicals and allied products	40.0
Petroleum industry	40.7
Rubber, leather, and plastic products	36.2
Stone, clay, and glass products	37.9
Primary metal industries	47.1
Fabricated metal products	39.8
Machinery (excluding electrical)	40.4
Electrical machinery, equipment, and supplies	36.6
Transportation equipment	40.9
Instruments and miscellaneous manufacturing industries	37.4
Total, all nonmanufacturing	34.9
Public utilities (electric, gas, water, telephone, etc.)	40.0
Department stores	31.8
Trade (wholesale and other retail)	29.0
Banks, finance companies, and trust companies	35.6
Insurance companies	35.8
Hospitals	31.8
Miscellaneous nonmanufacturing industries*	32.8



**Includes research, engineering, education, government agencies, construction, etc.*

TABLE 6. Employee Benefits as Percent of Payroll, by Type of Benefit and Industry Groups, 1983

Type of benefit	Total, all industries	Manufacturing industries														Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as percent of payroll	36.6	38.7	36.7	30.5	33.3	37.6	40.0	40.7	36.2	37.9	47.1	39.8	40.4	36.6	40.9	37.4	34.9	40.0	31.8	29.0	35.6	35.8	31.8	32.8
1. Legally required payments (employer's share only)	9.0	10.1	10.7	10.6	11.0	8.7	9.0	8.4	11.3	9.5	12.4	10.7	10.5	9.1	9.9	10.0	8.1	8.0	9.6	8.8	8.1	7.8	7.7	8.1
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	6.3	6.4	6.5	6.7	6.5	6.5	6.4	6.0	6.5	6.5	6.5	6.4	6.5	6.4	6.4	6.4	6.2	6.3	6.7	6.4	6.4	6.3	6.4	5.8
b. Unemployment Compensation	1.4	1.8	1.9	2.3	1.8	1.2	1.2	0.6	2.2	1.6	2.5	2.2	2.0	1.7	1.7	2.2	1.0	0.8	2.0	1.2	1.4	1.2	0.4	1.1
c. Workers' compensation (including estimated cost of self-insured)	1.2	1.8	2.2	1.6	2.6	0.8	1.4	1.8	2.6	1.4	3.3	2.0	1.9	1.0	1.6	1.3	0.8	0.9	0.9	1.2	0.3	0.3	0.8	1.1
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.1	0.1	0.1	***	0.1	0.2	***	***	***	***	0.1	0.1	0.1	***	0.2	0.1	0.1	***	***	***	***	***	0.1	0.1
2. Pension, insurance, and other agreed-upon payments (employer's share only)	13.6	14.2	13.4	8.8	11.2	12.3	15.1	14.9	13.0	14.6	19.7	15.6	15.8	12.3	16.4	11.6	13.0	16.8	10.3	9.2	11.8	14.1	10.7	12.1
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.0	4.4	4.4	1.8	2.8	4.2	5.9	7.0	3.3	4.6	6.5	4.2	5.1	3.5	5.4	2.8	5.4	8.3	1.8	2.6	4.1	5.5	3.9	5.1
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	7.0	8.4	7.5	6.2	7.1	6.3	7.5	6.3	8.2	8.6	10.9	10.0	9.3	7.4	9.3	7.4	6.0	6.8	4.4	5.2	6.0	6.5	5.3	5.8
c. Short-term disability	0.3	0.5	0.5	0.2	0.4	0.7	0.4	0.4	0.3	0.5	0.8	0.5	0.4	0.4	0.5	0.6	0.2	0.3	0.3	0.2	0.2	0.3	0.2	0.1
d. Salary continuation or long-term disability	0.3	0.2	0.1	0.2	0.1	0.2	0.4	0.4	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.4	***	0.1	0.4	0.4	0.2	0.4
e. Dental insurance premiums	0.5	0.5	0.6	0.3	0.4	0.5	0.5	0.5	0.3	0.4	0.6	0.5	0.6	0.6	0.6	0.4	0.4	0.5	0.6	0.5	0.5	0.4	0.4	0.4
f. Discounts on goods and services purchased from company by employees	0.1	***	0.1	***	0.1	0.1	***	***	0.1	***	***	***	***	***	0.1	0.1	0.2	0.2	3.1	0.3	0.1	0.1	0.2	***
g. Employee meals furnished by company	0.1	***	***	***	***	0.1	0.2	0.1	***	***	***	***	***	***	***	***	0.2	0.1	***	0.1	0.3	0.4	0.2	0.1
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	0.3	0.2	0.2	0.1	0.3	0.2	0.2	0.2	0.5	0.3	0.7	0.2	0.2	0.2	0.3	0.1	0.3	0.2	0.1	0.2	0.2	0.5	0.3	0.2
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	2.3	2.4	2.2	2.8	1.6	2.4	1.7	2.4	2.1	3.0	2.3	2.8	2.2	2.6	2.5	2.9	2.1	2.0	3.5	2.0	2.4	2.3	2.5	1.8
4. Payments for time not worked	9.4	9.6	8.1	6.2	7.4	10.2	11.0	9.9	8.3	9.8	10.8	8.9	9.5	9.9	10.9	9.6	9.6	11.4	7.3	6.4	9.0	9.5	10.1	8.6
a. Paid vacations and payments in lieu of vacation	4.8	5.1	4.4	3.6	4.2	5.2	5.7	5.1	4.6	5.6	6.2	5.0	5.1	4.9	5.6	5.0	4.7	5.5	3.9	3.4	4.2	4.5	5.1	4.2
b. Payments for holidays not worked	2.9	3.2	2.6	2.2	2.5	3.1	3.4	2.8	2.9	3.0	3.2	3.2	3.4	3.4	3.6	3.3	2.7	3.2	2.4	1.9	2.8	3.0	2.5	2.5
c. Paid sick leave	1.3	0.9	0.8	0.3	0.4	1.4	1.4	1.6	0.5	0.8	0.6	0.4	0.7	1.2	1.3	1.0	1.7	2.0	0.9	0.8	1.5	1.6	2.0	1.6
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.4	0.4	0.3	0.1	0.3	0.5	0.5	0.4	0.3	0.4	0.8	0.3	0.3	0.4	0.4	0.3	0.5	0.7	0.1	0.3	0.5	0.4	0.5	0.3
5. Other items	2.3	2.4	2.3	2.1	2.1	4.0	3.2	5.1	1.5	1.0	1.9	1.8	2.4	2.7	1.2	3.3	2.1	1.8	1.1	2.6	4.3	2.1	0.8	2.2
a. Profit-sharing payments	1.0	1.2	1.1	1.2	1.5	2.5	1.2	2.4	0.9	0.5	0.6	0.9	1.2	1.4	0.4	1.9	0.9	0.1	0.8	1.3	2.3	0.6	0.3	1.3
b. Contributions to employee thrift plans	0.5	0.4	0.6	0.3	0.2	0.5	0.9	2.3	0.1	0.3	0.3	0.2	0.2	0.3	0.4	0.3	0.5	1.0	0.1	0.3	0.9	0.7	***	0.2
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.3	0.5	0.4	0.4	0.3	0.7	0.8	0.2	0.2	0.1	0.5	0.4	0.5	0.5	0.1	0.8	0.2	0.1	0.2	0.6	0.4	0.2	0.1	0.3
d. Employee education expenditures (tuition refunds, etc.)	0.3	0.1	***	0.1	***	0.2	0.1	0.1	0.1	***	0.1	0.1	0.3	0.2	0.1	0.2	0.3	0.3	***	0.2	0.6	0.4	0.4	0.3
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.2	0.2	0.2	0.1	0.1	0.1	0.2	0.1	0.2	0.1	0.4	0.2	0.2	0.3	0.2	0.1	0.2	0.3	***	0.2	0.1	0.2	***	0.1

*Includes research, engineering, education, government agencies, construction, etc.

**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

***Less than 0.05%.

TABLE 7. Employee Benefits as Cents per Payroll Hour, by Type of Benefit and Industry Groups, 1983

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as cents per payroll hour	369.1	393.2	338.8	193.8	319.0	407.7	442.3	574.4	345.9	407.3	515.7	372.6	458.5	355.4	471.1	357.5	349.9	484.8	184.2	241.2	308.1	343.3	276.6	370.0
1. Legally required payments (employer's share only)	90.3	103.0	98.6	66.6	105.1	92.9	99.4	118.1	108.4	102.3	135.9	101.3	117.5	89.0	113.9	95.3	80.4	97.1	55.5	73.0	70.5	73.9	66.4	93.1
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	63.4	65.4	60.5	41.8	62.5	69.4	70.8	84.1	62.2	70.0	71.4	60.6	73.5	62.5	73.1	61.2	61.9	76.2	38.0	52.4	55.1	59.9	54.9	66.1
b. Unemployment Compensation	13.7	18.7	17.3	14.5	17.2	12.9	13.6	9.0	20.6	17.5	27.8	20.4	22.3	16.1	19.3	20.7	9.8	9.4	11.8	10.0	12.5	11.2	3.8	12.9
c. Workers' compensation (including estimated cost of self-insured)	12.5	18.1	19.9	10.3	24.4	8.9	14.9	24.8	25.1	14.6	36.1	19.0	21.0	10.1	18.7	12.8	8.1	11.2	5.5	10.3	2.7	2.6	7.2	12.6
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	0.7	0.8	0.9	***	1.0	1.7	0.1	0.2	0.5	0.2	0.6	1.3	0.7	0.3	2.8	0.6	0.6	0.3	0.2	0.3	0.2	0.2	0.5	1.5
2. Pension, insurance, and other agreed-upon payments (employer's share only)	137.0	145.3	124.3	56.6	107.8	133.3	168.0	208.7	125.0	156.2	217.2	146.2	180.9	118.6	188.7	112.0	130.4	202.4	58.9	76.9	102.2	134.9	92.7	136.8
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	50.3	45.1	40.7	11.7	27.0	45.9	65.5	97.1	31.3	49.3	72.4	39.3	57.7	34.3	62.0	26.4	54.3	101.5	10.4	21.9	35.0	53.1	33.4	57.2
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	71.0	84.8	70.4	39.0	68.4	68.2	84.2	89.1	79.0	91.7	120.6	94.4	106.7	71.0	106.4	71.7	60.2	81.8	25.0	43.3	52.1	61.5	45.3	66.4
c. Short-term disability	3.4	4.7	4.2	1.2	3.9	7.4	4.0	5.0	3.3	5.7	8.4	4.4	4.7	3.7	5.5	6.0	2.3	3.1	1.6	1.4	2.1	3.2	2.0	1.7
d. Salary continuation or long-term disability	2.8	2.0	1.2	1.2	1.2	2.4	3.9	5.4	2.8	1.7	1.9	1.5	2.0	1.7	2.6	1.7	3.4	4.6	0.2	1.0	3.2	3.7	2.2	4.2
e. Dental insurance premiums	4.8	5.3	5.2	2.1	3.4	5.8	5.5	6.9	2.9	4.5	6.3	4.5	6.8	5.6	7.3	4.3	4.3	5.5	3.3	4.0	4.0	4.1	3.8	4.3
f. Discounts on goods and services purchased from company by employees	1.0	0.4	0.5	0.3	0.5	0.9	0.6	0.1	0.7	***	***	0.3	0.2	0.4	0.9	0.5	1.5	1.9	17.7	2.9	1.1	0.6	1.7	0.4
g. Employee meals furnished by company	1.2	0.5	0.3	0.2	0.4	0.7	1.8	2.1	0.1	0.2	0.4	0.2	0.5	0.4	0.3	0.2	1.8	1.3	0.2	1.1	2.7	4.1	1.4	0.8
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	2.5	2.5	1.8	0.9	3.0	2.0	2.5	3.0	4.9	3.1	7.2	1.6	2.3	1.5	3.7	1.2	2.6	2.7	0.5	1.3	2.0	4.6	2.9	1.8
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	22.7	24.1	19.9	17.7	15.8	26.4	18.8	34.3	19.8	32.7	25.4	26.5	25.0	24.8	29.1	27.3	21.5	24.7	20.4	16.3	20.7	22.1	22.0	19.9
4. Payments for time not worked	96.4	96.6	74.7	40.0	70.3	110.8	121.6	140.5	79.3	105.3	118.4	82.3	107.6	96.8	126.0	92.3	96.2	138.8	42.7	53.8	77.1	91.8	87.2	96.5
a. Paid vacations and payments in lieu of vacation	48.8	51.5	41.1	22.9	40.0	56.0	63.3	72.5	44.1	59.7	68.2	46.6	57.7	47.9	64.3	47.9	46.6	66.4	22.7	28.5	36.0	43.4	43.7	47.0
b. Payments for holidays not worked	29.6	32.3	23.7	14.3	24.2	33.5	37.3	39.9	27.5	32.8	35.2	30.0	38.9	33.1	41.9	31.7	27.5	38.9	14.0	15.6	23.9	28.9	21.7	28.2
c. Paid sick leave	13.5	8.9	7.0	1.9	3.5	15.6	15.7	22.7	5.1	8.8	6.3	3.3	7.7	11.6	15.3	9.6	17.1	24.4	5.3	6.9	13.0	15.3	17.3	17.7
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	4.5	3.9	2.9	0.9	2.6	5.7	5.3	5.4	2.6	4.0	8.7	2.4	3.3	4.2	4.5	3.1	5.0	9.1	0.7	2.8	4.2	4.2	4.5	3.6
5. Other items	22.7	24.2	21.3	12.9	20.0	44.3	34.5	72.8	13.4	10.8	18.8	16.3	27.5	26.2	13.4	30.6	21.4	21.8	6.7	21.2	37.6	20.6	8.3	23.7
a. Profit-sharing payments	10.4	12.4	10.5	7.5	14.6	27.2	13.0	33.7	8.4	5.1	6.0	8.5	13.8	13.8	4.3	18.0	8.8	1.5	4.8	11.1	20.0	6.2	2.5	14.4
b. Contributions to employee thrift plans	4.6	3.9	5.2	1.8	1.8	5.4	9.6	32.9	0.6	3.5	2.7	1.7	2.5	2.6	4.9	2.4	5.2	11.6	0.3	2.4	7.9	6.7	0.3	2.4
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	3.3	4.6	3.4	2.7	2.6	8.1	9.1	3.4	1.8	0.9	5.2	3.7	5.7	5.1	0.7	7.3	2.3	1.5	1.3	4.7	3.6	2.3	1.2	2.8
d. Employee education expenditures (tuition refunds, etc.)	2.6	1.4	0.3	0.4	0.5	2.2	1.1	1.7	0.9	0.4	0.7	0.8	3.3	1.7	1.4	1.8	3.5	3.1	0.2	1.4	5.2	3.4	3.9	3.0
e. Special wage payments ordered by courts, payments to union stewards, etc.	1.8	1.9	1.9	0.5	0.5	1.4	1.7	1.1	1.7	0.9	4.2	1.6	2.2	3.0	2.1	1.1	1.6	4.1	0.1	1.6	0.9	2.0	0.4	1.1

*Includes research, engineering, education, government agencies, construction, etc.

**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

***Less than 0.05¢.

TABLE 8. Employee Benefits as Dollars per Year per Employee, by Type of Benefit and Industry Groups, 1983

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
Total employee benefits as dollars per year per employee	7,582	8,110	7,083	3,968	6,656	8,216	9,198	12,122	6,979	8,112	10,422	7,776	9,296	7,406	9,794	7,457	7,163	10,142	3,721	4,956	6,277	6,833	5,728	7,511
1. Legally required payments (employer's share only)	1,859	2,124	2,061	1,365	2,194	1,871	2,068	2,491	2,186	2,037	2,745	2,114	2,383	1,854	2,367	1,985	1,648	2,030	1,122	1,501	1,438	1,473	1,375	1,890
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	1,305	1,349	1,265	855	1,304	1,398	1,473	1,774	1,255	1,396	1,443	1,264	1,490	1,302	1,518	1,273	1,270	1,593	771	1,078	1,123	1,193	1,137	1,341
b. Unemployment Compensation	282	385	362	298	359	259	283	189	415	348	562	426	453	335	402	432	201	197	238	206	255	224	78	262
c. Workers' compensation (including estimated cost of self-insured)	258	374	416	211	510	179	311	524	506	290	729	396	426	211	389	267	165	234	110	212	55	52	149	256
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.**	14	16	18	1	21	35	1	4	10	3	11	28	14	6	58	13	12	6	3	5	5	4	11	31
2. Pension, insurance, and other agreed-upon payments (employer's share only)	2,813	2,996	2,599	1,158	2,249	2,688	3,492	4,407	2,523	3,112	4,389	3,053	3,669	2,472	3,919	2,336	2,670	4,240	1,188	1,579	2,082	2,685	1,919	2,774
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	1,032	931	852	239	562	926	1,363	2,050	632	984	1,463	820	1,171	714	1,288	551	1,113	2,126	209	451	715	1,058	693	1,159
b. Life insurance premiums; death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	1,460	1,747	1,473	800	1,429	1,375	1,748	1,880	1,592	1,827	2,436	1,970	2,163	1,481	2,209	1,494	1,232	1,713	507	899	1,063	1,223	938	1,347
c. Short-term disability	69	97	88	25	82	149	83	106	67	113	171	93	95	77	113	126	47	64	32	29	42	64	42	34
d. Salary continuation or long-term disability	57	41	25	25	24	49	81	115	57	33	38	32	41	35	54	35	69	97	4	21	65	74	45	85
e. Dental insurance premiums	98	109	108	42	72	116	115	147	59	89	128	94	138	116	152	89	89	116	66	82	81	81	78	88
f. Discounts on goods and services purchased from company by employees	21	9	11	5	10	18	11	2	15	***	***	7	4	9	19	11	31	41	358	59	22	12	35	8
g. Employee meals furnished by company	24	10	5	3	8	14	38	43	1	4	8	4	11	9	6	5	36	26	3	22	54	82	28	16
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	52	52	37	19	62	41	53	64	100	62	145	33	46	31	78	25	53	57	9	26	40	91	60	37
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	466	498	416	363	329	532	392	723	400	651	514	553	506	516	606	570	441	517	411	335	421	440	455	404
4. Payments for time not worked	1,978	1,991	1,561	820	1,467	2,233	2,529	2,964	1,600	2,100	2,393	1,717	2,180	2,017	2,621	1,926	1,967	2,901	864	1,107	1,573	1,826	1,807	1,959
a. Paid vacations and payments in-lieu of vacation	1,001	1,061	859	469	835	1,128	1,317	1,530	889	1,192	1,378	972	1,169	997	1,337	999	954	1,388	460	586	736	864	905	955
b. Payments for holidays not worked	608	666	496	292	504	675	775	841	555	653	712	626	788	690	871	662	562	813	282	320	487	575	449	572
c. Paid sick leave	277	184	146	40	73	315	327	480	103	176	128	69	156	242	319	200	350	510	107	143	264	304	359	359
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	92	80	60	19	55	115	110	113	53	79	175	50	67	88	94	65	101	190	15	58	86	83	94	73
5. Other items	466	501	446	262	417	892	717	1,537	270	212	381	339	558	547	281	640	437	454	136	434	763	409	172	484
a. Profit-sharing payments	213	256	219	153	304	547	270	711	170	101	122	177	280	288	90	376	179	31	97	227	407	123	52	293
b. Contributions to employee thrift plans	95	80	109	37	38	109	199	695	13	69	55	35	51	54	102	50	106	242	6	49	160	134	7	49
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	69	95	71	55	54	163	190	72	36	17	105	77	115	107	15	153	48	31	27	97	73	45	25	58
d. Employee education expenditures (tuition refunds, etc.)	53	30	7	8	10	45	22	35	17	8	14	17	67	36	30	38	71	65	4	28	105	68	80	62
e. Special wage payments ordered by courts, payments to union stewards, etc.	36	40	40	9	11	28	36	24	34	17	85	33	45	62	44	23	33	85	2	33	18	39	8	22

*Includes research, engineering, education, government agencies, construction, etc.

**Figure is considerably less than legal rate, because most reporting companies had only a small proportion of employees covered by tax.

***Less than 50¢.

6. REGIONAL VARIATIONS

Benefit payments by region for the various industry groups are shown in Table 9. The regions are based upon United States Bureau of the Census divisions. States constituting each region are listed in a footnote following the table.

For all industries, payments averaged 38.2 percent of payroll in the East North Central region, followed by a 38.1 percent in the Northeast region.

The Western region averaged 35.9 percent, and the Southeast region averaged 33.9 percent.

TABLE 9. Employee Benefits as Percent of Payroll, by Region and Industry Groups, 1983

Industry group	Total, all regions*	Northeast*	East North Central*	Southeast*	West*
Total, all industries	36.6	38.1	38.2	33.9	35.9
Total, all manufacturing	38.7	40.7	41.1	33.4	37.3
Manufacture of:					
Food, beverages, and tobacco	36.7	37.0	40.0	29.6	37.4
Textile products and apparel	30.5	36.3	31.5	27.8	32.7
Pulp, paper, lumber, and furniture	33.3	39.7	31.4	26.5	34.2
Printing and publishing	37.6	39.3	34.9	33.3	40.0
Chemicals and allied products	40.0	42.1	46.2	35.2	36.1
Petroleum industry	40.7	**	**	36.4	44.2
Rubber, leather, and plastic products	36.2	36.1	39.9	33.9	29.5
Stone, clay, and glass products	37.9	**	35.0	**	37.5
Primary metal industries	47.1	47.4	51.5	38.4	51.3
Fabricated metal products (excluding machinery and transportation equipment)	39.8	44.5	40.7	34.2	34.8
Machinery (excluding electrical)	40.4	39.6	42.1	38.4	37.3
Electrical machinery, equipment, and supplies	36.6	39.4	39.0	30.0	35.3
Transportation equipment	40.9	44.7	42.6	36.4	39.3
Instruments and miscellaneous manufacturing industries	37.4	37.9	39.6	34.8	36.5
Total, all nonmanufacturing	34.9	35.3	35.2	34.3	35.0
Public utilities (electric, gas, water, telephone, etc.)	40.0	40.6	41.3	39.0	40.2
Department stores	31.8	36.8	37.2	25.9	28.1
Trade (wholesale and other retail)	29.0	32.0	31.5	28.2	26.7
Banks, finance companies, and trust companies	35.6	38.4	34.2	35.2	34.6
Insurance companies	35.8	35.9	36.4	35.3	35.5
Hospitals	31.8	32.6	32.0	29.9	31.9
Miscellaneous nonmanufacturing industries***	32.8	30.4	35.1	30.7	34.0
Number of companies	1,454	359	399	338	358

States in each region are:

NORTHEAST: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

EAST NORTH CENTRAL: Illinois, Indiana, Michigan, Ohio, and Wisconsin.

SOUTHEAST: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

WEST: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

**Fewer than three companies reporting.*

***Includes research, engineering, education, government agencies, construction, etc.*

7. SIZE OF COMPANY VARIATIONS

The largest firms paid higher benefits than smaller firms, and benefits increased with size of company, except for one category, as shown in Table 10.

Companies with 5,000 or more employees paid 39.1 percent for benefits. Companies with 2,500 to 4,999 employees paid 36.2 percent, and those with 1,000 to 2,499 averaged 36.9 percent. Companies with 500 to 999 employees averaged 36.5 percent, and those employing 100 to 499 averaged 36.3 percent. Those companies with fewer than 100 employees paid 34.1 percent of payroll for benefits.

TABLE 10. Employee Benefits as Percent of Payroll, by Size of Company and Industry Groups, 1983

Industry group	Total all companies	Number of employees					
		Under 100	100-499	500-999	1,000-2,499	2,500-4,999	5,000 and over
Total, all industries	36.6	34.1	36.3	36.5	36.9	36.2	39.1
Total, all manufacturing	38.7	38.0	38.2	39.0	39.0	36.5	41.1
Manufacture of:							
Food, beverages, and tobacco	36.7	31.4	33.8	43.2	40.9	30.5	37.4
Textile products and apparel	30.5	31.0	33.5	28.9	25.8	*	29.0
Pulp, paper, lumber, and furniture	33.3	30.0	31.7	24.4	40.1	*	39.0
Printing and publishing	37.6	*	38.1	37.1	34.0	*	*
Chemicals and allied products	40.0	37.5	35.6	41.6	35.2	39.2	46.2
Petroleum industry	40.7	*	44.3	*	38.3	*	*
Rubber, leather, and plastic products	36.2	40.0	34.5	32.8	*	*	44.2
Stone, clay, and glass products	37.9	35.3	41.2	32.8	*	*	*
Primary metal industries	47.1	46.9	48.1	33.6	53.4	*	52.0
Fabricated metal products (excluding machinery and transportation equipment)	39.8	35.9	40.8	37.9	43.4	41.8	*
Machinery (excluding electrical)	40.4	39.7	38.2	47.4	42.7	33.7	43.7
Electrical machinery, equipment, and supplies	36.6	32.0	35.9	37.8	38.9	35.4	35.3
Transportation equipment	40.9	42.4	45.5	37.6	37.7	34.8	42.4
Instruments and miscellaneous manufacturing industries	37.4	43.3	35.0	42.3	36.6	*	39.0
Total, all nonmanufacturing	34.9	30.4	33.7	34.6	35.9	36.0	37.4
Public utilities (electric, gas, water, telephone, etc.)	40.0	32.5	41.4	38.8	39.2	40.3	41.2
Department stores	31.8	*	28.4	*	*	*	36.0
Trade (wholesale and other retail)	29.0	28.0	27.8	22.7	27.8	34.9	33.6
Banks, finance companies, and trust companies	35.6	29.6	36.2	36.6	36.3	33.8	37.7
Insurance companies	35.8	38.0	33.9	34.6	36.5	37.4	37.1
Hospitals	31.8	*	32.6	30.3	32.1	32.2	*
Miscellaneous nonmanufacturing industries**	32.8	30.2	30.7	38.8	36.8	32.4	33.5
Number of companies	1,454	145	430	234	312	142	191

Fewer than three companies reporting.

***Includes research, engineering, education, government agencies, construction, etc.*

8. PENSION AND INSURANCE COSTS

Due to the wide interest in private pension and insurance programs, tabulations are included showing distributions of amounts paid by individual companies for these programs, and also average employee payroll deductions for pensions and insurance. Employer payments are net amounts after deducting any dividends or credits returned to the employer by the insurer.

As shown in Table 11, 251 firms, or 17 percent of those

TABLE 11. Pension* Payments, by Industry Groups, 1983

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for pensions									Pension payments as percent of payroll				Average pension payments as percent of payroll for companies having pensions
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	Total	Premiums under insurance and annuity contracts	Payments to uninsured trusteed pension plans	Payments under unfunded pension plans	
Total, all industries	1,454	251	150	307	271	197	120	81	35	42	5.0	3.1	1.7	0.2	5.9
Total, all manufacturing	643	135	79	156	94	76	38	26	18	21	4.4	2.4	1.9	0.1	5.5
Manufacture of:															
Food, beverages, and tobacco	42	11	2	10	5	6	4	2	2	...	4.4	2.9	1.2	0.3	5.8
Textile products and apparel	33	13	7	10	1	1	1	...	...	...	1.8	0.8	0.9	0.1	3.0
Pulp, paper, lumber, and furniture	45	15	8	8	7	5	...	...	1	1	2.8	1.5	1.3	**	4.1
Printing and publishing	29	4	...	9	9	5	1	1	...	...	4.2	2.3	1.7	0.2	4.9
Chemicals and allied products	39	4	3	7	8	3	6	6	2	...	5.9	3.5	2.4	**	6.6
Petroleum industry	14	2	2	1	...	3	2	2	1	1	6.9	5.5	1.3	0.1	8.0
Rubber, leather, and plastic products	23	5	4	9	2	1	2	...	...	...	3.3	1.5	1.8	**	3.8
Stone, clay, and glass products	16	...	3	4	2	7	...	...	...	...	4.6	2.3	2.3	**	4.6
Primary metal industries	46	9	1	8	6	2	5	7	5	3	6.6	3.1	3.3	0.2	8.2
Fabricated metal products (excluding machinery and transportation equipment)	68	13	11	17	10	8	2	2	1	4	4.2	2.7	1.5	**	5.3
Machinery (excluding electrical)	96	18	9	20	16	13	6	5	5	4	5.1	2.5	2.3	0.3	6.2
Electrical machinery, equipment, and supplies	104	26	21	23	13	10	6	...	...	5	3.5	2.0	1.5	**	4.7
Transportation equipment	44	4	5	12	6	9	3	1	1	3	5.4	2.9	2.4	0.1	5.9
Instruments and miscellaneous manufacturing industries	44	11	3	18	9	3	...	...	...	...	2.8	1.6	1.1	0.1	3.7
Total, all nonmanufacturing	811	116	71	151	177	121	82	55	17	21	5.4	3.6	1.6	0.2	6.2
Public utilities (electric, gas, water, telephone, etc.)	157	6	3	4	28	35	31	31	8	11	8.4	5.0	3.2	0.2	8.7
Department stores	14	4	4	5	1	...	...	...	...	...	1.8	0.4	1.3	0.1	2.5
Trade (wholesale and other retail)	42	14	11	6	6	4	1	...	...	...	2.6	1.9	0.6	0.1	3.8
Banks, finance companies, and trust companies	126	25	11	28	31	20	5	3	1	2	4.1	2.2	1.8	0.1	4.9
Insurance companies	112	9	7	20	33	16	17	7	1	2	5.5	3.8	1.4	0.3	5.9
Hospitals	170	11	22	66	45	17	6	3	...	...	3.8	2.8	0.9	0.1	4.1
Miscellaneous nonmanufacturing industries***	190	47	13	22	33	29	22	11	7	6	5.1	3.9	0.9	0.3	6.7

*Includes net pension-plan premiums and pension payments not covered by insurance-type plan.

**Less than 0.05%.

***Includes research, engineering, education, government agencies, construction, etc.

surveyed, reported no payments for private pensions, while 42 companies paid amounts for pensions equaling 14 percent or more of payroll. Pension payments for all companies surveyed averaged 5.0 percent of payroll (the figure shown in Tables 4 and 6), but if companies reporting no pension payments are omitted, the average becomes 5.9 percent of payroll.

The average pension payment of 5.0 percent included 3.1 percent for premiums under insurance or annuity contracts, 1.7 percent for payments to uninsured trusteed pension plans, and 0.2 percent for payments under unfunded pension plans.

Among the manufacturing industries 21 percent of the firms reported no pension payments, while among the nonmanufacturing firms 14 percent reported no pension payments. Ten percent of the manufacturing firms paid 10 percent or more of payroll for pensions, while 11 percent of the nonmanufacturing firms paid 10 percent or more.

The distribution of insurance payments by industry groups is shown in Table 12. Payments for insurance were reported by all but 14 of the firms. The most frequent amount paid for insurance was 4.0 to 5.9 percent of payroll. One hundred nineteen firms reported insurance payments amounting to 12 percent or more of payroll.

Insurance payments averaged 7.0 percent of payroll, including 0.5 percent for life insurance, 6.1 percent for health insurance, and 0.4 percent not separated between life and health, as shown in Table 13. Eighty-five percent of the companies reported payments for life insurance, 92 percent reported payments for health insurance, and five percent reported combined payments for life and health insurance.

Employee payroll deductions for private pension programs were reported by 18 percent of the companies, including 16 percent of those in manufacturing and 19 percent of the nonmanufacturing firms, as shown in Table 14. Deductions were reported by 32 percent of the firms in electrical machinery, equipment, and supplies, but by only four percent of the rubber, leather, and plastic products firms.

While deductions for pensions averaged 0.4 percent of payroll for all companies in the survey (as shown in Table 14), they averaged 2.2 percent of payroll for those companies having deductions.

TABLE 12. Insurance* Payments, by Industry Groups, 1983

Industry group	Total companies in survey	Number of companies paying specified percent of payroll for insurance									Average insurance payments as percent of payroll	
		0%	0.1-1.9%	2.0-3.9%	4.0-5.9%	6.0-7.9%	8.0-9.9%	10.0-11.9%	12.0-13.9%	14.0% and over	All companies	Companies having insurance
Total, all industries	1,454	14	34	189	395	381	208	114	67	52	7.0	7.1
Total, all manufacturing	643	8	11	32	127	163	125	80	53	44	8.4	8.4
Manufacture of:												
Food, beverages, and tobacco	42	...	1	3	7	12	12	5	2	...	7.5	7.6
Textile products and apparel	33	...	3	4	13	5	4	3	1	...	6.2	6.1
Pulp, paper, lumber, and furniture	45	...	2	4	13	13	4	7	...	2	7.1	7.1
Printing and publishing	29	...	1	3	10	10	3	1	1	...	6.3	6.2
Chemicals and allied products	39	...	...	2	6	19	5	6	1	...	7.5	7.6
Petroleum industry	14	...	...	1	6	5	2	...	...	...	6.3	6.3
Rubber, leather, and plastic products	23	...	...	...	6	6	7	2	2	...	8.2	8.2
Stone, clay, and glass products	16	...	...	...	3	4	4	4	1	...	8.6	8.5
Primary metal industries	46	1	...	1	4	4	9	10	6	11	10.9	11.2
Fabricated metal products (excluding machinery and transportation equipment)	68	1	1	3	5	14	14	6	13	11	10.0	10.2
Machinery (excluding electrical)	96	2	1	3	11	22	17	13	15	12	9.3	9.5
Electrical machinery, equipment, and supplies	104	2	1	5	26	30	22	12	5	1	7.4	7.4
Transportation equipment	44	...	1	...	7	10	10	8	4	4	9.3	9.2
Instruments and miscellaneous manufacturing industries	44	2	...	3	10	9	12	3	2	3	7.4	7.8
Total, all nonmanufacturing	811	6	23	157	268	218	83	34	14	8	6.0	6.0
Public utilities (electric, gas, water, telephone, etc.)	157	...	2	16	41	58	29	8	1	2	6.8	6.7
Department stores	14	...	...	6	6	2	...	...	...	...	4.4	4.3
Trade (wholesale and other retail)	42	...	2	12	15	8	4	1	...	...	5.2	5.1
Banks, finance companies, and trust companies	126	...	4	21	48	29	11	10	2	1	6.0	6.0
Insurance companies	112	1	2	12	35	37	14	7	3	1	6.5	6.4
Hospitals	170	...	4	49	66	39	11	...	1	...	5.3	5.2
Miscellaneous nonmanufacturing industries**	190	5	9	41	57	45	14	8	7	4	5.8	5.9

Includes net premiums paid for life, hospital, surgical, medical, and major medical insurance, plus death, surgical, and medical care payments not insured. Does not include sick leave pay.

**Includes research, engineering, education, government agencies, construction, etc.*

Payroll deductions for insurance were reported by 75 percent of the companies, including 65 percent of the manufacturing firms and 83 percent of the nonmanufacturing firms. Deductions were reported by 100 percent of the petroleum companies, but by only 28 percent of the firms in primary metals industries. Insurance deductions averaged 1.5 percent of payroll for all firms in the survey, but were 1.9 percent for those firms having deductions.

TABLE 13. Insurance Payments, by Type of Insurance, 1983

Industry group	Average insurance payments as percent of payroll, all companies				Percent of companies reporting insurance payments			Average for companies reporting specific type of insurance payments		
	Total	Life	Health	L&H*	Life	Health	L&H*	Life	Health	L&H*
Total, all industries	7.0	0.5	6.1	0.4	85	92	5	0.6	6.4	8.3
Total, all manufacturing	8.4	0.5	7.2	0.7	79	90	8	0.7	7.7	9.5
Manufacture of:										
Food, beverages, and tobacco	7.5	0.3	7.1	0.1	69	97	2	0.5	7.2	6.7
Textile products and apparel	6.2	0.6	5.3	0.3	78	93	6	0.8	5.5	5.2
Pulp, paper, lumber, and furniture	7.1	0.6	5.9	0.6	71	91	6	0.9	6.3	11.1
Printing and publishing	6.3	0.5	5.6	0.2	93	96	3	0.6	5.7	5.7
Chemicals and allied products	7.5	0.5	6.4	0.6	92	92	7	0.6	6.9	8.0
Petroleum industry	6.3	0.7	4.7	0.9	85	85	14	0.8	5.4	6.5
Rubber, leather, and plastic products	8.2	0.3	7.2	0.7	86	91	8	0.4	7.8	8.0
Stone, clay, and glass products	8.6	0.5	7.4	0.7	81	93	6	0.7	7.7	10.7
Primary metal industries	10.9	0.6	9.7	0.6	80	91	6	0.8	10.4	12.1
Fabricated metal products (excluding machinery and transportation equipment)	10.0	0.4	7.8	1.8	73	85	13	0.5	9.2	13.1
Machinery (excluding electrical)	9.3	0.7	7.7	0.9	79	87	10	0.9	8.8	8.7
Electrical machinery, equipment, and supplies	7.4	0.4	6.3	0.7	80	89	8	0.6	6.8	8.1
Transportation equipment	9.3	0.6	8.0	0.7	79	90	6	0.7	8.5	11.4
Instruments and miscellaneous manufacturing industries	7.4	0.5	6.3	0.6	79	88	6	0.6	7.1	9.5
Total, all nonmanufacturing	6.0	0.6	5.2	0.2	90	95	3	0.6	5.4	6.3
Public utilities (electric, gas, water, telephone, etc.)	6.8	0.8	5.8	0.2	93	94	3	0.8	5.9	6.8
Department stores	4.4	0.5	3.9	. . .	92	100	. . .	0.6	3.7	**
Trade (wholesale and other retail)	5.2	0.4	4.4	0.4	80	90	9	0.5	4.7	4.8
Banks, finance companies, and trust companies	6.0	0.6	5.4	. . .	92	98	. . .	0.7	5.4	2.7
Insurance companies	6.5	0.7	5.7	0.1	95	96	2	0.8	5.6	6.6
Hospitals	5.3	0.2	5.1	. . .	97	98	1	0.2	4.9	4.9
Miscellaneous nonmanufacturing industries***	5.8	0.5	4.8	0.5	80	90	7	0.6	5.3	6.7

Companies reporting one payment for both life and health insurance (items C-4 through C-7 of questionnaire).

***No companies reported this type of payment.*

****Includes research, engineering, education, government agencies, construction, etc.*

TABLE 14. Employee Payroll Deductions for Pensions and Insurance, 1983

Industry group	Pensions			Insurance		
	Percent of companies reporting deductions	Average deductions as percent of payroll		Percent of companies reporting deductions	Average deductions as percent of payroll	
		Total, all companies	Companies having deductions		Total, all companies	Companies having deductions
Total, all industries	18	0.4	2.2	75	1.0	1.4
Total, all manufacturing	16	0.3	1.6	65	0.8	1.2
Manufacture of:						
Food, beverages, and tobacco	12	0.2	1.8	52	0.6	1.2
Textile products and apparel	12	0.4	2.6	85	2.1	2.4
Pulp, paper, lumber, and furniture	18	0.5	2.5	64	1.5	2.3
Printing and publishing	21	0.2	0.7	90	1.0	1.1
Chemicals and allied products	8	0.1	1.7	77	0.7	0.9
Petroleum industry	21	0.4	2.0	100	1.6	1.6
Rubber, leather, and plastic products	4	0.1	2.2	74	0.7	1.0
Stone, clay, and glass products	19	0.6	2.9	50	0.6	1.2
Primary metal industries	7	0.1	1.2	28	0.2	0.9
Fabricated metal products (excluding machinery and transportation equipment)	9	0.1	1.2	43	0.5	1.2
Machinery (excluding electrical)	16	0.3	1.8	61	0.6	1.0
Electrical machinery, equipment, and supplies	32	0.5	1.5	77	0.8	1.1
Transportation equipment	16	0.1	0.8	61	0.4	0.7
Instruments and miscellaneous manufacturing industries	20	0.2	1.0	75	1.0	1.4
Total, all nonmanufacturing	19	0.5	2.7	83	1.2	1.5
Public utilities (electric, gas, water, telephone, etc.)	16	0.4	2.7	78	1.0	1.3
Department stores	21	0.4	1.9	79	1.4	1.7
Trade (wholesale and other retail)	10	0.2	1.9	74	1.0	1.4
Banks, finance companies, and trust companies	8	0.1	1.8	93	1.4	1.6
Insurance companies	11	0.1	1.2	89	1.5	1.7
Hospitals	19	0.3	1.4	89	1.3	1.4
Miscellaneous nonmanufacturing industries**	36	1.3	3.6	73	1.1	1.5

*Includes research, engineering, education, government agencies, construction, etc.

9. PERCENT OF COMPANIES PAYING EMPLOYEE BENEFITS

Payments for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes) were reported by 99 percent of the companies surveyed, and 98 percent of the companies reported payments for Unemployment Compensation (Table 15). Ninety-two percent reported payments for vacations, and 87 percent also reported payments for holidays.

Paid sick leave was reported by 78 percent of the companies, including 62 percent of those in manufacturing and 91 percent of the nonmanufacturing firms. Profit-sharing payments were reported by 20 percent of the firms, including 43 percent of the department stores and 39 percent of the banks, finance and trust companies, but by only 3 percent of the public utilities.

Average costs of benefit payments for companies reporting such payments are shown in Table 16. Payments for dental insurance, profit-sharing, contributions to employee thrift plans, and other benefits paid by a relatively small percentage of companies differ significantly in this table from the all-company averages shown in Table 6.

For example, profit-sharing payments for all industries are 1.0 percent of payroll, as shown in Tables 4 and 6, which are based upon all companies in the survey. However, as shown in Table 15, only 20 percent of the companies reported profit-sharing. For those companies reporting profit-sharing, this benefit was 5.2 percent of payroll, as shown in Table 16. The Chamber survey shows each benefit as a percent of the company's reported payroll. In many firms having profit-sharing only some of the employees participate in profit-sharing, and for those employees having profit-sharing, their percentage would be higher than a company average based upon all employees. Studies by other organizations show profit-sharing is about 9 or 10 percent of payroll for those employees participating in profit-sharing programs.

Moreover, it is interesting to note that the 20 percent figure for companies reporting profit-sharing is greatly affected by the very small numbers of public utilities and hospitals that reported profit-sharing payments. If these two industry categories are excluded, the percentage of nonmanufacturing companies reporting profit-sharing would rise from 16 percent to 24 percent, and the "total, all industries" would rise from 20 percent to 25 percent.

TABLE 15. Percent of Companies Paying Employee Benefits, 1983

Type of benefit	Total, all industries	Manufacturing industries															Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																								
a. Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	99	100	100	100	100	100	100	100	100	100	100	100	100	100	98	100	98	99	100	100	100	99	98	95
b. Unemployment Compensation	98	99	100	100	96	100	97	93	100	100	98	100	99	99	98	100	97	99	100	90	98	99	94	96
c. Workers' compensation (including estimated cost of self-insured)	93	95	95	94	87	90	97	93	96	100	93	96	98	97	89	95	92	97	93	88	90	90	94	90
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.	11	11	12	3	16	28	8	21	4	13	9	3	10	13	5	18	11	9	14	14	9	16	8	14
2. Pension, insurance, and other agreed-upon payments (employer's share only):																								
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	83	79	74	61	67	86	90	86	83	100	80	81	82	75	91	75	87	96	71	69	83	95	94	75
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	99	99	100	100	100	100	100	100	100	100	98	99	98	98	100	95	100	100	100	100	100	100	100	98
c. Short-term disability	43	56	48	36	58	66	54	57	52	50	59	63	57	57	48	59	32	29	50	36	29	41	32	30
d. Salary continuation or long-term disability	53	38	26	30	27	48	74	86	39	31	24	24	38	43	36	43	65	68	36	40	75	75	68	54
e. Dental insurance premiums	57	58	57	33	49	66	69	79	43	44	59	59	58	68	59	55	56	62	29	52	55	52	64	48
f. Discounts on goods and services purchased from company by employees	16	9	17	18	13	24	13	7	13	0	0	7	3	7	9	11	22	22	86	31	18	22	35	5
g. Employee meals furnished by company	20	13	14	6	18	10	26	50	9	13	20	7	5	16	9	11	26	30	21	17	36	45	22	9
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	40	35	40	21	31	48	36	57	26	56	54	29	29	29	43	32	44	45	14	33	45	60	48	35
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	56	58	57	55	42	59	46	57	48	69	52	71	59	60	59	75	54	54	79	45	59	56	58	44
4. Payments for time not worked:																								
a. Paid vacations and payments in lieu of vacation	92	93	81	94	89	100	95	86	78	100	93	93	91	96	98	98	91	95	93	88	87	92	94	86
b. Payments for holidays not worked	87	90	79	85	82	93	97	93	83	100	91	88	90	94	91	91	85	94	86	69	83	88	89	79
c. Paid sick leave	78	62	57	39	38	90	87	93	52	56	39	43	58	80	73	73	91	94	100	81	94	91	95	84
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	79	79	64	61	69	79	90	79	74	88	83	78	93	82	89	82	79	94	64	57	79	84	82	65
5. Other items:																								
a. Profit-sharing payments	20	26	31	39	27	38	21	36	22	13	9	24	19	34	18	39	16	3	43	36	39	21	4	13
b. Contributions to employee thrift plans	26	25	21	18	16	24	51	64	13	25	20	15	22	23	39	30	27	48	7	19	39	43	5	14
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	52	53	50	55	51	52	69	71	39	38	39	57	49	62	41	61	51	55	50	45	57	71	57	28
d. Employee education expenditures (tuition refunds, etc.)	65	52	38	45	33	55	46	86	35	25	37	50	60	65	59	66	76	80	29	50	87	91	86	55
e. Special wage payments ordered by courts, payments to union stewards, etc.	32	38	21	21	24	34	38	57	43	25	37	43	40	38	61	45	27	47	14	26	19	31	21	20

*Includes research, engineering, education, government agencies, construction, etc.

TABLE 16. Average Benefit Costs as Percent of Payroll for Companies Paying Employee Benefits, 1983

Type of benefit	Total, all industries	Manufacturing industries														Nonmanufacturing industries							
		Total, all manufacturing	Food, beverages, and tobacco	Textile products and apparel	Pulp, paper, lumber, and furniture	Printing and publishing	Chemicals and allied products	Petroleum industry	Rubber, leather, and plastic products	Stone, clay, and glass products	Primary metal industries	Fabricated metal products (excluding mach. and trans. equipment)	Machinery (excluding electrical)	Electrical machinery, equipment, and supplies	Transportation equipment	Instruments and miscellaneous manufacturing industries	Total, all nonmanufacturing	Public utilities (electric, gas, water, telephone, etc.)	Department stores	Trade (wholesale and other retail)	Banks, finance companies, and trust companies	Insurance companies	Hospitals	Miscellaneous nonmanufacturing industries*
1. Legally required payments (employer's share only):																								
a. Old-Age, Survivors, Disability, and Health insurance (FICA taxes)	6.3	6.4	6.5	6.5	6.5	6.4	6.4	5.9	6.5	6.5	6.5	6.4	6.4	6.4	6.4	6.3	6.3	6.3	6.5	6.3	6.3	6.3	6.4	6.1
b. Unemployment Compensation	1.3	1.8	1.8	2.2	1.8	1.1	1.2	0.6	2.1	1.6	2.5	2.1	1.9	1.6	1.7	2.1	1.0	0.7	2.0	1.3	1.4	1.1	0.4	1.1
c. Workers' compensation (including estimated cost of self-insured)	1.3	1.8	2.2	1.7	2.9	0.9	1.3	1.8	2.7	1.3	3.5	2.1	1.8	1.0	1.8	1.3	0.8	0.9	1.0	1.4	0.3	0.3	0.8	1.2
d. Railroad Retirement Tax, Railroad Unemployment and Cash Sickness Insurance, state sickness benefits insurance, etc.	0.6	0.7	0.7	0.1	0.5	0.5	0.0	0.0	1.1	0.1	0.5	4.6	0.5	0.2	5.5	0.3	0.5	0.2	0.1	0.2	0.2	0.1	0.7	0.9
2. Pension, insurance, and other agreed-upon payments (employer's share only):																								
a. Pension plan premiums and pension payments not covered by insurance-type plan (net)	5.9	5.5	5.7	2.9	4.1	4.9	6.5	7.9	3.8	4.5	8.2	5.2	6.1	4.7	5.8	3.6	6.2	8.7	2.4	3.8	4.8	5.8	4.0	6.6
b. Life insurance premiums, death benefits; hospital, surgical, medical, and major medical insurance premiums, etc. (net)	7.1	8.4	7.6	6.1	7.1	6.2	7.6	6.3	8.2	8.5	11.2	10.2	9.5	7.4	9.2	7.8	6.0	6.7	4.3	5.1	6.0	6.4	5.2	5.9
c. Short-term disability	0.7	0.8	0.9	0.5	0.7	1.0	0.6	0.6	0.6	1.0	1.2	0.7	0.7	0.6	1.0	1.0	0.7	0.8	0.5	0.4	0.8	0.8	0.7	0.4
d. Salary continuation or long-term disability	0.5	0.4	0.4	0.6	0.4	0.4	0.4	0.4	0.7	0.4	0.7	0.6	0.4	0.4	0.5	0.3	0.5	0.5	0.0	0.3	0.4	0.5	0.3	0.6
e. Dental insurance premiums	0.8	0.8	0.9	0.9	0.6	0.8	0.7	0.6	0.6	0.8	0.9	0.8	1.0	0.8	1.0	0.8	0.7	0.7	1.9	0.9	0.8	0.8	0.6	0.7
f. Discounts on goods and services purchased from company by employees	0.6	0.4	0.3	0.2	0.3	0.3	0.3	0.0	0.5	0.0	0.0	0.4	0.5	0.6	0.8	0.5	0.7	0.7	3.5	1.0	0.7	0.2	0.5	0.6
g. Employee meals furnished by company	0.5	0.3	0.1	0.3	0.2	0.6	0.6	0.2	0.0	0.1	0.1	0.2	0.8	0.2	0.2	0.2	0.6	0.3	0.1	0.7	0.8	0.9	0.6	0.7
h. Miscellaneous payments (vision care, prescription drugs, separation or termination pay, moving expenses, etc.)	0.6	0.6	0.4	0.6	0.9	0.3	0.6	0.3	1.6	0.4	1.1	0.5	0.6	0.5	0.7	0.3	0.5	0.4	0.5	0.4	0.5	0.8	0.6	0.4
3. Paid rest periods, lunch periods, wash-up time, travel time, clothes-change time, get-ready time, etc.	4.0	4.0	3.6	5.1	3.9	4.1	3.7	4.2	4.5	4.4	4.4	4.0	3.7	4.2	4.2	3.7	4.0	3.8	4.0	4.1	4.0	4.0	4.3	4.0
4. Payments for time not worked:																								
a. Paid vacations and payments in lieu of vacation	5.2	5.4	5.3	3.8	4.6	5.1	5.9	5.9	5.8	5.5	6.6	5.3	5.5	5.1	5.7	5.1	5.1	5.7	4.2	3.8	4.7	4.9	5.3	4.8
b. Payments for holidays not worked	3.3	3.5	3.2	2.6	3.0	3.3	3.4	3.0	3.4	3.0	3.5	3.6	3.8	3.6	3.9	3.6	3.1	3.3	2.7	2.6	3.3	3.3	2.8	3.1
c. Paid sick leave	1.6	1.3	1.2	0.7	0.9	1.6	1.6	1.7	0.9	1.4	1.4	0.8	1.1	1.4	1.8	1.3	1.8	2.1	0.9	0.9	1.5	1.7	2.0	1.8
d. Payments for State or National Guard duty; jury, witness, and voting pay allowances; payments for time lost due to death in family or other personal reasons, etc.	0.5	0.4	0.4	0.2	0.3	0.6	0.5	0.4	0.3	0.4	0.9	0.3	0.3	0.5	0.4	0.3	0.6	0.7	0.1	0.5	0.6	0.5	0.6	0.4
5. Other items:																								
a. Profit-sharing payments	5.2	4.7	3.7	3.0	5.7	6.6	5.6	6.6	3.6	4.0	6.6	3.7	6.1	4.2	1.9	4.7	5.9	3.8	2.0	4.0	5.9	3.1	8.1	9.6
b. Contributions to employee thrift plans	1.6	1.4	2.6	1.4	1.1	2.1	1.6	3.6	0.4	1.2	1.2	1.2	1.0	1.1	1.0	0.8	1.8	1.9	0.8	1.5	2.3	1.6	0.7	1.5
c. Christmas or other special bonuses, service awards, suggestion awards, etc.	0.6	0.8	0.7	0.7	0.5	1.4	1.1	0.3	0.4	0.2	1.2	0.6	0.9	0.8	0.1	1.2	0.4	0.2	0.4	1.3	0.7	0.3	0.2	0.8
d. Employee education expenditures (tuition refunds, etc.)	0.3	0.2	0.0	0.1	0.1	0.3	0.2	0.1	0.2	0.1	0.1	0.1	0.4	0.2	0.2	0.2	0.4	0.3	0.1	0.3	0.6	0.3	0.5	0.4
e. Special wage payments ordered by courts, payments to union stewards, etc.	0.5	0.4	0.8	0.3	0.2	0.3	0.3	0.1	0.3	0.2	0.9	0.3	0.4	0.8	0.2	0.2	0.5	0.6	0.1	0.7	0.5	0.6	0.2	0.4

*Includes research, engineering, education, government agencies, construction, etc.

10. PAYROLL DEDUCTIONS FOR EMPLOYEE BENEFITS

Deductions from paychecks for employee benefits totaled 7.7 percent, as shown in Table 17. Deductions included 6.3 percent for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes); 0.4 percent for pension plan premiums and contributions; and 1.0 percent for life, hospital, surgical, medical, and major medical insurance.

Total deductions averaged 78.6 cents per payroll hour, or $1,622 per year per employee.

Deductions were 8.8 percent for textile products and apparel companies; 8.4 percent for firms in pulp, paper, lumber and furniture; and 8.3 percent for petroleum companies, but only 6.7 percent for the primary metal industries.

As cents per payroll hour, they ranged from 118.7 cents for the petroleum industry to 48.4 cents for department stores.

As dollars per year per employee they varied from $2,512 for the petroleum industry to $985 for department stores.

TABLE 17. Payroll Deductions for Employee Benefits, 1983

Industry group	Deductions as percent of payroll					Total deductions as cents per payroll hour	Total deductions as dollars per year per employee
	Total deductions	Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	Railroad Retirement and state sickness benefits insurance taxes	Pension plan premiums or contributions	Life, hospital, surgical, medical, and major medical insurance		
Total, all industries	7.7	6.3	*	0.4	1.0	78.6	1,622
Total, all manufacturing	7.3	6.4	*	0.2	0.7	77.0	1,596
Manufacture of:							
Food, beverages, and tobacco	7.2	6.5	*	0.1	0.6	68.8	1,444
Textile products and apparel	8.8	6.5	*	0.3	2.0	57.4	1,188
Pulp, paper, lumber, and furniture	8.4	6.5	*	0.4	1.5	82.5	1,761
Printing and publishing	7.6	6.4	0.1	0.1	1.0	83.5	1,684
Chemicals and allied products	7.2	6.4	*	0.1	0.7	80.6	1,680
Petroleum industry	8.3	5.9	0.4	0.4	1.6	118.7	2,512
Rubber, leather, and plastic products	7.2	6.5	*	*	0.7	69.7	1,412
Stone, clay, and glass products	7.5	6.5	*	0.5	0.5	82.7	1,666
Primary metal industries	6.7	6.5	*	*	0.2	75.1	1,528
Fabricated metal products (excluding machinery and transportation equipment)	7.0	6.4	*	0.1	0.5	67.0	1,399
Machinery (excluding electrical)	7.2	6.4	*	0.2	0.6	84.3	1,724
Electrical machinery, equipment, and supplies	7.6	6.3	0.1	0.4	0.8	75.7	1,579
Transportation equipment	7.0	6.3	0.2	0.1	0.4	82.2	1,718
Instruments and miscellaneous manufacturing industries	7.5	6.3	0.1	0.1	1.0	73.7	1,542
Total, all nonmanufacturing	7.8	6.1	*	0.5	1.2	79.9	1,642
Public utilities (electric, gas, water, telephone, etc.)	7.6	6.2	*	0.4	1.0	94.4	1,977
Department stores	8.1	6.5	*	0.3	1.3	48.4	985
Trade (wholesale and retail)	7.4	6.3	*	0.1	1.0	62.6	1,292
Banks, finance companies, and trust companies	7.8	6.3	*	0.1	1.4	69.4	1,415
Insurance companies	7.7	6.2	*	0.1	1.4	76.2	1,518
Hospitals	7.7	6.3	*	0.2	1.2	68.6	1,420
Miscellaneous nonmanufacturing industries**	8.0	5.8	*	1.2	1.0	93.2	1,906

Less than 0.05%.

***Includes research, engineering, education, government agencies, construction, etc.*

11. WAGE AND PAYROLL DATA

Hourly and annual earnings data, together with several payroll items sometimes considered employee benefits, are shown in Table 18.

Highest hourly earnings of $14.13 were reported by the petroleum industry. Lowest were department stores paying $5.53. On an annual basis, the highest paying was again the petroleum industry, with $29,806 per full-time employee, and lowest were department stores, paying $11,701.

The average payroll for all companies surveyed was composed of 94.5 percent payments for straight time, 2.8 percent premium pay for overtime, 0.6 percent holiday premium pay, 0.5 percent shift differential, 1.1 percent incentive or production bonus, and 0.5 percent for other payroll items.

If employees received regular pay for holidays, but did not work on these days, such payments are reported as employee benefits in other tables of this report (item 4-b of Tables 4, 6, 7, 8, etc.). If the employee worked on holidays and received $8 per hour for regular straight time worked, but $12 per hour for holiday work, for each hour of holiday work $8 would be reported in Table 18 as straight time and $4 as holiday premium pay.

Payroll data in Table 18 are shown as percent of payroll and cents per payroll hour, but can be converted to dollars per year per employee by using as multipliers the annual figures given in the last column of the table.

Employee benefits are numerous, and there are differences of opinion regarding just what constitutes the benefit package and how it should be computed. Should workers' compensation, suggestion awards, and similar items be included? Should shift differentials, overtime premium pay, etc., be included? Should the base be gross payroll or straight-time pay for time actually worked?

Three methods of computation are illustrated in Chart 2. In this study benefits are shown as 36.6 percent of payroll, with benefits averaging $7,582 per year per employee and total gross payroll of $20,704.

However, if the computation base is changed to "straight-time pay for time worked," or $17,121, the $7,582 in benefits average 44.3 percent.

If overtime and holiday premium pay, shift differentials, production bonus, and other miscellaneous payroll items are also considered benefits, the benefits total $8,722. Compared with the $17,121 of straight-time pay for time worked, the benefits are 50.9%.

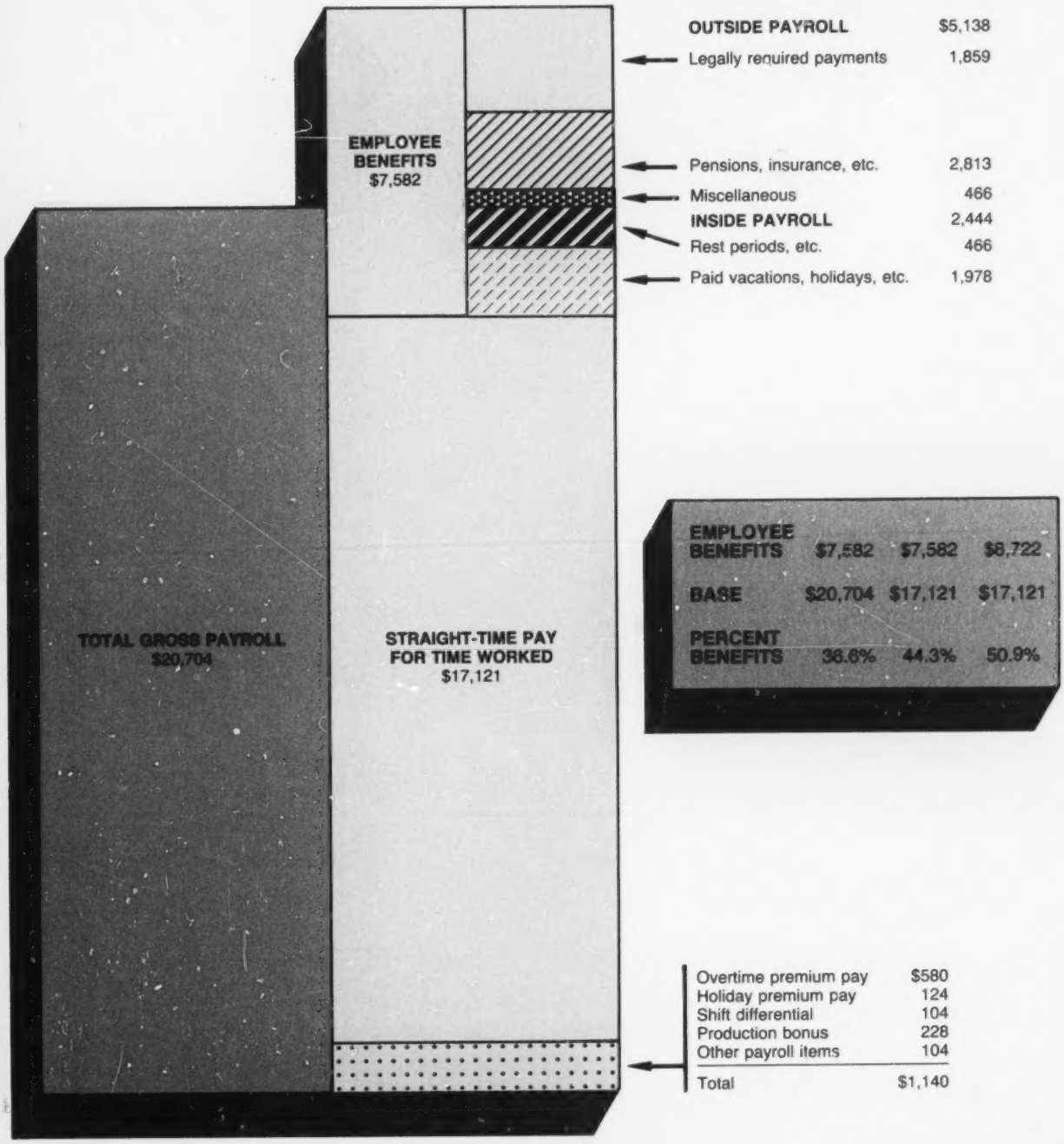
TABLE 18. Wage Data, by Industry Groups, 1983

Industry group	Average hourly earnings as percent of payroll							Average hourly earnings as cents per hour							Total payroll dollars per year per full-time employee
	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	Total payroll	Straight-time pay	Overtime premium pay*	Holiday premium pay*	Shift differential	Earned incentive or production bonus	Other	
Total, all industries	100.0	94.5	2.8	0.6	0.5	1.1	0.5	1,008	953	28	6	5	11	5	20,704
Total, all manufacturing	100.0	93.6	3.2	0.8	0.5	1.4	0.5	1,015	948	33	8	6	15	5	20,938
Manufacture of:															
Food, beverages, and tobacco	100.0	93.4	4.1	1.0	0.3	0.9	0.3	925	864	38	9	3	8	3	19,313
Textile products and apparel	100.0	94.1	3.6	0.8	0.4	0.9	0.2	635	598	23	5	2	6	1	13,017
Pulp paper, lumber, and furniture	100.0	91.3	4.6	1.5	0.5	1.6	0.5	955	873	44	14	4	15	5	19,994
Printing and publishing	100.0	94.7	2.4	0.4	0.4	1.8	0.3	1,084	1,028	25	5	4	19	3	21,828
Chemicals and allied products	100.0	94.2	3.5	0.4	0.7	0.4	0.8	1,107	1,044	39	4	7	5	8	23,004
Petroleum industry	100.0	91.1	5.4	0.5	1.0	0.6	1.4	1,413	1,287	77	7	14	9	19	29,806
Rubber, leather, and plastic products	100.0	92.0	2.8	1.0	0.5	3.4	0.3	954	879	28	9	5	30	3	19,299
Stone, clay, and glass products	100.0	88.3	4.8	1.5	0.4	3.8	1.2	1,079	952	52	16	5	40	14	21,426
Primary metal industries	100.0	91.4	2.9	1.0	0.6	2.8	1.3	1,095	998	32	11	7	32	15	22,137
Fabricated metal products (excluding machinery and transportation equipment)	100.0	93.2	3.8	0.7	0.6	1.5	0.2	937	871	36	7	6	15	2	19,520
Machinery (excluding electrical)	100.0	94.5	2.5	0.7	0.6	1.4	0.3	1,131	1,068	29	8	7	16	3	22,994
Electrical machinery, equipment, and supplies	100.0	95.0	2.5	0.8	0.6	0.7	0.4	971	921	25	8	6	7	4	20,238
Transportation equipment	100.0	92.8	3.0	0.9	0.9	1.6	0.8	1,148	1,065	36	9	10	19	9	23,923
Instruments and miscellaneous manufacturing industries	100.0	95.8	2.6	0.2	0.4	0.9	0.1	956	916	25	2	3	9	1	19,947
Total, all nonmanufacturing	100.0	95.3	2.4	0.5	0.5	0.8	0.5	1,002	955	25	5	4	8	5	20,519
Public utilities (electric, gas, water, telephone, etc.)	100.0	94.1	4.5	0.5	0.3	0.2	0.4	1,212	1,139	55	7	3	2	6	25,347
Department stores	100.0	96.0	1.7	0.4	0.1	1.5	0.3	576	553	10	2	1	8	2	11,701
Trade (wholesale and other retail)	100.0	93.5	2.6	0.4	0.1	2.0	1.4	832	779	21	3	1	16	12	17,095
Banks, finance companies, and trust companies	100.0	96.8	1.6	0.1	0.3	0.9	0.3	868	840	14	1	2	8	3	17,641
Insurance companies	100.0	96.4	1.5	0.3	0.1	1.4	0.3	960	926	14	3	1	13	3	19,089
Hospitals	100.0	95.2	1.7	0.7	1.5	0.3	0.6	871	830	15	6	13	2	5	18,034
Miscellaneous nonmanufacturing industries**	100.0	95.5	2.3	0.5	0.2	1.1	0.4	1,129	1,081	24	5	2	13	4	22,912

Includes bonus or premium pay only. If employee receives $8.00 per hour for straight time and $12.00 for overtime, for each overtime hour worked, $8.00 would be shown as straight-time pay and $4.00 as overtime pay.

***Includes research, engineering, education, government agencies, construction, etc.*

CHART 2. Annual Employee Benefits and Earnings per Employee, 1983



12. BENEFITS AS PERCENT OF PAYROLL, 1951 TO 1983

Employee benefits have risen from 18.7 percent of payroll in 1951 to 36.6 percent in 1983, as depicted in Chart 3.

Fully as striking as the increase in total benefits are the changes in individual benefits and in the broader categories of benefits.

Legally required payments (employer's share only) increased from 3.5 percent of payroll in 1951 to 9.0 percent in 1983. Most of this increase was for Old-Age, Survivors, Disability, and Health Insurance (FICA taxes).

During the same time period, outlays for pensions, insurance and other agreed-upon payments (employer's share only) also grew spectacularly, from 5.4 percent of payroll to 13.6 percent. Central to this growth has been the steep rise in payments for life insurance premiums, death benefits, hospital, surgical, medical, and major medical insurance premiums. A preponderance of the insurance cost is for health care.

Dental insurance, a separate benefit, has been rapidly growing during the last several years.

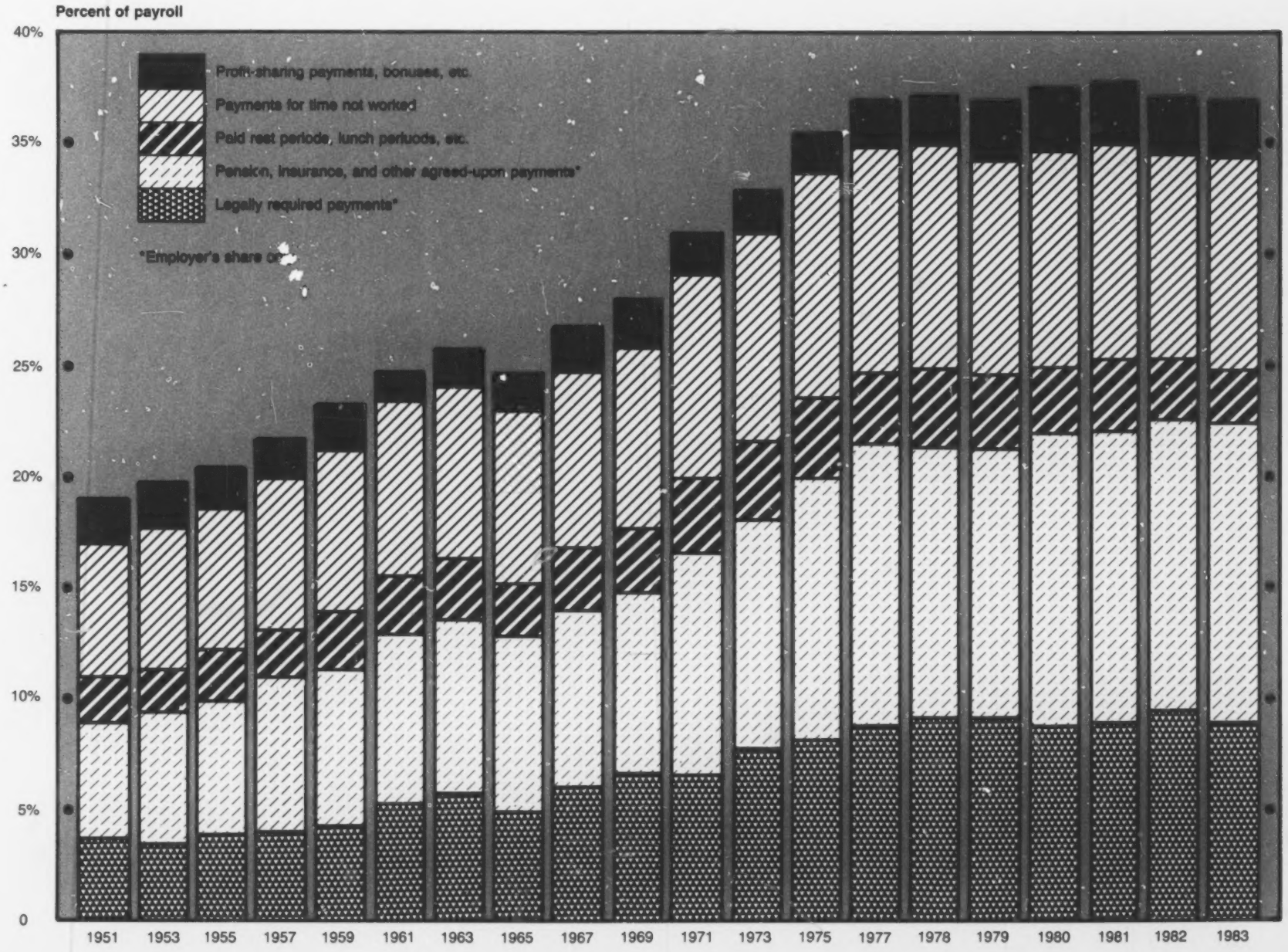
Payments for time not worked, such as vacations, holidays, and sick leave, increased from 6.0 percent of payroll in 1951 to 9.4 percent of payroll in 1983.

The average payment of $3.69 per payroll hour and $7,582 per year per employee in 1983 has increased from $0.32 per payroll hour and $644 per year per employee in 1951.

Changes in the number of reporting companies over the years (N = 736 in 1951; N = 1,454 in 1983) means that the data, although not strictly comparable, do indicate the trend of benefits over time.

Note: Detailed data for 1951-1979 are available in *Employee Benefits-Historical Data: 1951-1979*. See the card in the back of the book.

CHART 3. Total Employee Benefits as Percent of Payroll, 1951 to 1983



13. TOTAL EMPLOYEE BENEFIT COSTS

Total employee benefit costs are estimated at $550 billion for 1983, as shown in Table 19. Costs in manufacturing industries are estimated at $148 billion, or 37.4 percent of the $395.2 billion paid in wages and salaries. Service industry benefits are estimated at $79 billion, or 26 percent of the $303.4 billion in wages and salaries. Benefits in wholesale and retail trade are estimated at $81 billion; finance, insurance, and real estate at $43 billion; construction at $23 billion; transportation at $24.8 billion; utilities and communication at $25.5 billion; mining at $11.3 billion; agriculture at $2.4 billion; and federal, state and local government benefits at $112 billion.

Total benefits for 1929 are estimated at $1.5 billion, or 3 percent of that year's $50.4 billion in wages and salaries (Table 20). There were no Old-Age, Survivors, Disability, and Health Insurance or Unemployment Compensation programs. The only legally required payments were workers' compensation and government employees' retirement, totaling 0.8 percent.

Agreed-upon programs in 1929 are estimated at 0.4 percent, including small amounts for private pension and insurance programs. Rest periods are estimated at 1 percent, and time paid for but not worked is estimated at 0.7 percent. In 1929, vacations and paid holidays were usually limited to office workers, with the one-week vacation common, and paid holidays considerably fewer than today. Bonuses, profit-sharing, and other miscellaneous benefits in 1929 are estimated at 0.1 percent.

Benefits for 1953 are estimated at 15.5 percent of wages and salaries, or $31 billion. This includes 3.2 percent for legally required payments; 3.2 percent for pensions, insurance and other agreed-upon payments; 2.3 percent for rest periods; 5.7 percent for vacations, holidays, sick leave and other time not worked; and 1.1 percent for bonuses, profit-sharing, and other miscellaneous payments.

The 1963 benefits are estimated at 22 percent of wages and salaries, or $68 billion. This includes 5.6 percent for legally required payments, 4.6 percent for agreed-upon payments, 3.3 percent for rest periods, 7.4 percent for time not worked, and 1.1 percent for other benefits.

Benefit payments for 1973 are estimated to have reached $190 billion, or 27.5 percent of payroll. Legally required payments are estimated at 8.1 percent; agreed-upon payments at 6.3 percent; rest periods, 3.6 percent; time not worked, 8.5 percent, and bonuses, profit-sharing payments, etc., one percent.

Total 1983 benefits are estimated at 33.2 percent of payroll. This includes 9.6 percent for legally required payments, 8.8 percent for pension, insurance, and other agreed-upon payments; and 3.8 percent for rest periods. Vacations, holiday, sick leave, and other time not worked is estimated at 10 percent, and bonuses, profit-sharing, and other miscellaneous payments at one percent.

TABLE 19. Estimated Total Employee Benefits Payments, 1983

Industry	Wages and salaries (Billion dollars)	Benefit payments	
		Percent	Billion dollars
Manufacturing	$ 395.2	37.4%	$148.0
Services	303.4	26.0	79.0
Trade (wholesale and retail)	275.3	29.5	81.0
Finance, insurance, and real estate	109.8	39.4	43.0
Construction	80.3	28.5	23.0
Transportation	63.4	39.0	24.8
Utilities and communication	59.9	43.5	25.5
Mining	27.3	41.5	11.3
Agriculture	16.5	14.7	2.4
Private industry	1,331.1	32.9	438.0
Government (federal, state, local)	327.7	34.2	112.0
Total, all industries	$1,658.8	33.2%	$550.0

SOURCES: Wages and salaries data from United States Department of Commerce.
Employee benefit data estimated by Chamber of Commerce of the United States.

TABLE 20. Growth of Employee Benefits, 1929 to 1983

Type of payment	1929	1953	1963	1973	1983
	(Percent of wages and salaries)				
1. Legally required	0.8%	3.2%	5.6%	8.1%	9.6%
Old-Age, Survivors, Disability, and Health Insurance (FICA taxes)	0	1.2	2.4	4.4	5.3
Unemployment Compensation	0	0.7	1.2	1.0	1.1
Workers' compensation	0.6	0.6	0.7	0.9	0.9
Government employees retirement	0.2	0.6	1.0	1.5	2.0
Other	0	0.1	0.3	0.3	0.3
2. Agreed-upon	0.4	3.2	4.6	6.3	8.8
Pensions	0.2	2.0	2.4	3.2	3.6
Insurance	0.1	0.9	1.9	2.8	4.7
Other	0.1	0.3	0.3	0.3	0 5
3. Rest periods	1.0	2 3	3.3	3.6	3.8
4. Time not worked	0.7	5.7	7.4	8.5	10.0
Vacations	0.3	3.0	3.9	4.3	5.1
Holidays	0.3	1.9	2.5	2.9	3.4
Sick leave	0.1	0.7	0.8	1.1	1.3
Other	0	0.1	0.2	0.2	0.2
5. Bonuses, profit-sharing, etc.	0.1	1.1	1.1	1.0	1.0
Total benefit payments	3.0%	15.5%	22.0%	27.5%	33.2%
	(Billion dollars)				
Wages and salaries	$50.4	$198.3	$311.1	$691.6	$1,658.8
Total benefit payments	$ 1.5	$ 31.0	$ 68.0	$190.0	$ 550.0

Source: Estimated by Chamber of Commerce of the United States.

14. SUPPLEMENTS TO WAGES AND SALARIES

The United States Department of Commerce publishes some employee benefits data in its National Income statistics. Listed as supplements to wages and salaries, and covering the period 1929 to date, they consist chiefly of legally required payments and expenditures for private pension and welfare plans (items B and C of the Chamber questionnaire). These costs grew from $0.7 billion in 1929 to $326.2 billion in 1983, as shown in Table 21 and Chart 4. The 1983 costs averaged 19.7 percent of wages and salaries for all industries, but ranged from 13.9 percent for agriculture, forestry, and fisheries industries and 15.2 percent for services to 28.1 percent for electric, gas, and sanitary services, and 33.6 percent for communication.

TABLE 21. Supplements to Wages and Salaries, 1929 to 1983

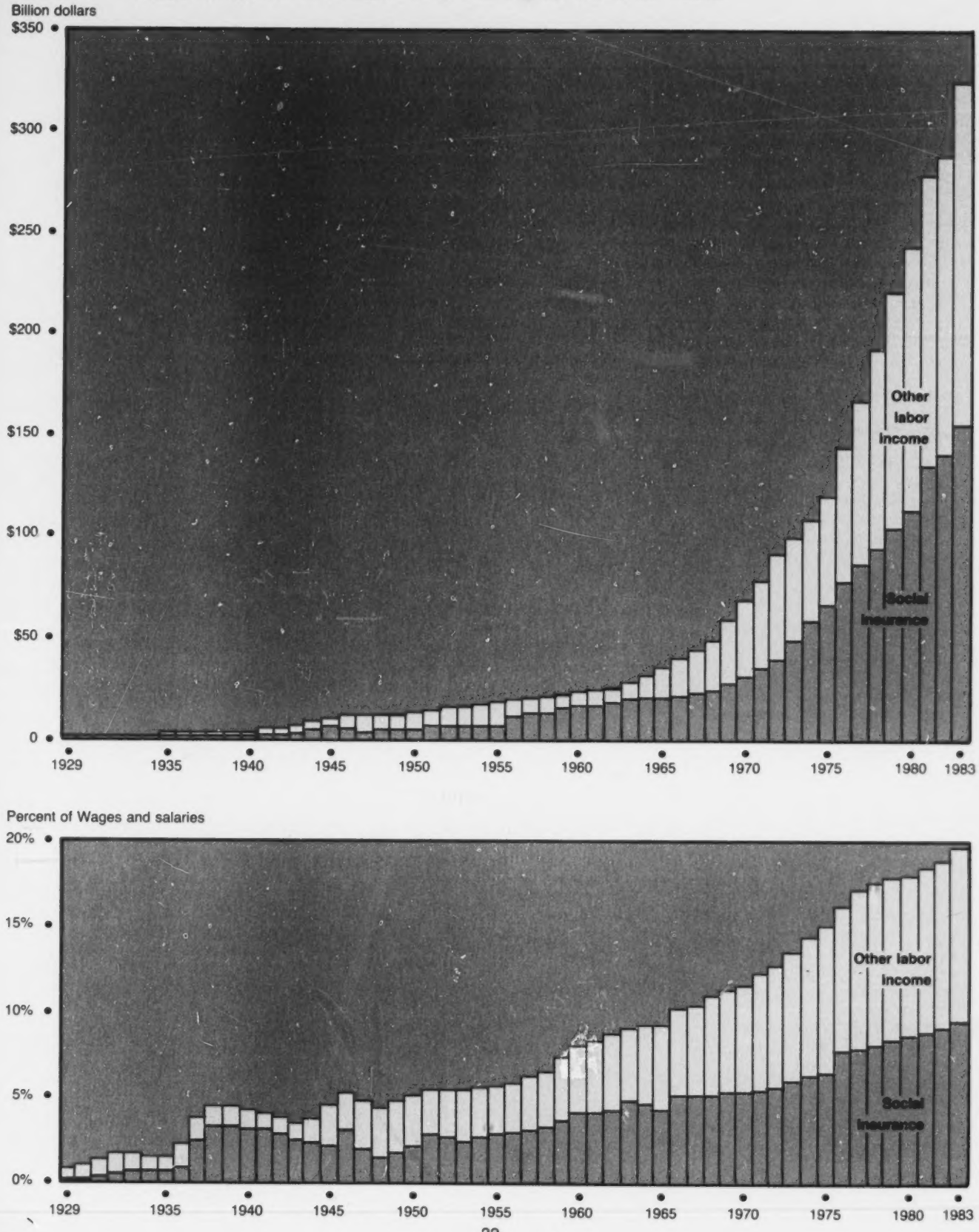
(United States Department of Commerce Data)

Item	1929	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1983
	Million dollars*											
Total supplements to wages and salaries	662	650	2,311	5,604	7,818	13,238	23,000	34,538	63,240	124,980	242,543	326,169
Employer contributions for social insurance	101	171	1,624	3,805	4,164	6,216	11,780	16,698	30,733	60,457	115,297	153,095
Federal social insurance funds	29	44	1,469	3,580	3,482	4,957	9,645	13,668	24,889	48,921	92,935	124,500
Old-Age, Survivors, and Disability Insurance	...	...	329	630	1,308	2,825	5,632	8,330	16,182	30,490	55,623	72,950
Hospital insurance	...	...	...	...	...	...	...	...	2,342	5,610	11,623	18,543
State unemployment insurance	...	7	813	1,011	1,217	1,221	2,300	3,076	2,493	5,516	12,073	15,294
Federal unemployment tax	...	...	98	174	232	304	343	558	854	1,294	3,463	5,009
Federal civilian employee retirement	21	32	93	227	316	144	838	1,146	2,215	4,353	7,446	9,708
Other items	8	5	136	1,538	409	463	532	558	803	1,658	2,707	2,996
State and local social insurance funds	72	127	155	225	682	1,259	2,135	3,030	5,844	11,536	22,362	28,595
State and local employee retirement	72	127	155	225	510	985	1,775	2,525	5,091	10,170	19,103	25,067
Other items	...	...	...	...	172	274	360	505	753	1,366	3,259	3,528
Other labor income	561	479	687	1,799	3,654	7,022	11,220	17,840	32,507	64,523	127,246	173,074
Employer contributions to private pension and welfare funds	169	180	282	1,132	3,534	6,845	10,969	17,485	31,937	63,595	125,439	170,610
Pension and profit-sharing	...	...	...	...	1,713	3,377	4,866	7,646	13,050	28,253	54,694	64,821
Group health insurance	...	...	...	...	781	1,706	3,374	5,890	12,099	24,043	48,949	81,999
Group life insurance	...	...	...	...	249	561	1,080	1,651	2,891	4,368	6,203	7,592
Workers' compensation	...	...	...	...	791	1,150	1,529	2,177	3,786	6,695	15,248	15,878
Supplemental unemployment	...	...	...	...	...	51	120	121	111	236	345	320
Other items	392	299	405	667	120	177	251	355	570	928	1,807	2,464
	Total supplements as percent of wages and salaries											
All industries	1.3	1.8	4.6	4.8	5.3	6.3	8.5	9.5	11.5	15.5	17.9	19.7
Agriculture, forestry, and fisheries	0.4	0.5	0.6	0.4	0.6	1.9	4.7	5.6	7.4	10.7	13.4	13.9
Mining	1.6	1.7	5.7	4.0	9.4	10.5	12.2	12.8	15.3	18.5	18.0	19.9
Contract construction	2.3	3.5	6.6	5.3	5.9	6.5	7.0	8.5	9.9	12.5	14.2	16.6
Manufacturing	0.9	1.2	5.2	5.1	6.6	8.3	10.8	12.0	14.4	19.6	22.9	24.4
Transportation	2.0	2.7	6.2	6.0	6.6	7.4	9.6	10.6	12.7	18.7	19.6	22.3
Communication	2.1	4.4	8.8	8.9	10.1	8.9	11.1	18.2	24.0	28.9	29.5	33.6
Electric, gas, and sanitary services	1.7	2.2	6.2	9.4	9.2	10.6	12.6	14.4	16.8	22.6	24.1	28.1
Wholesale and retail trade	0.6	0.8	3.9	3.4	3.8	4.3	6.4	7.6	9.4	11.9	13.8	15.5
Finance, insurance, and real estate	2.4	2.6	6.0	5.1	6.1	7.5	9.6	11.4	13.3	17.8	18.8	20.8
Services	0.4	0.6	2.4	2.2	2.5	3.3	5.1	6.2	7.9	11.5	13.0	15.2
Government and government enterprises	3.2	3.4	4.1	5.3	4.2	4.1	7.2	7.9	10.0	14.2	17.7	19.5
All private enterprises	1.1	1.4	4.8	4.5	5.5	6.7	8.7	9.9	11.9	15.9	17.9	19.7

**Due to changes in classification, 1929-45 data are not strictly comparable with more recent data.*

Source: United States Department of Commerce data. Percentages computed by Chamber of Commerce of the United States.

CHART 4. Supplements to Wages and Salaries, 1929 to 1983



15. HOW EMPLOYEE BENEFITS WERE SURVEYED

As in earlier studies, it was necessary to go directly to employers for the basic data on employee benefits. The mailing list included previous participants in the surveys, firms in the Survey Research Section's business samples, names from *Fortune's* lists and from Polk's World Bank directory, and firms from the directory of the American Compensation Association. Questionnaires also were sent to firms requesting that they be included in the survey. Questionnaires were sent to some of their members by the Hospital Association of New York State, the Kansas City Area Hospital Association, a group of Baltimore hospitals, and the American Paper Institute.

There were 1,454 respondents from the 8,368 companies in the sample, a 17 percent response rate.

In 1982, for the first time, the sample included firms with *fewer than 100* employees, making the sample more representative of the business community.

Companies with fewer than 500 employees constituted 40 percent *of the total respondents* in 1983, compared with 41 percent in 1981.

If the results from the surveys of 1982 and 1983 benefits are compared with earlier surveys, one should be aware of several factors that could affect the findings. The sample size was increased, and the number of respondents increased substantially (e.g., 1981 N = 994; 1983 N = 1,454). The composition of the sample was affected by the inclusion of firms having fewer than 100 employees and the inclusion of firms from the Survey Research Section's samples of the business community, both of which represented a scientific cross-section of U.S. business, by industry, size of firm, and geographical region.

The severity and depth of the 1981-1982 recession had a substantial impact during 1982 on the composition of employers' work forces and on the number of hours worked. Adjustments in pension benefits were being made by some companies. Business firms around the nation were striving to contain employee benefits costs which had been burgeoning for years. Such efforts were continued in 1983.

EMPLOYEES COVERED

This study is, in general, limited to employees who are not exempt from the Fair Labor Standards Act. Pay of workers covered by this survey varies with the number of hours worked. However, for banks, financial institutions, etc., all nonsupervisory employees and working supervisors are included, regardless of their method of wage payment.

COMPUTATION METHOD

The method of computation used in this study is outlined below. Also shown is a procedure for computing a company's benefit payments on a basis comparable to that used in this report.

In combining company data to form industry averages, the percentages for individual companies were added together without weighting. Otherwise, data for a few large companies might obscure the data of many small firms. Also, this procedure tended to compensate for the lower percentage coverage of smaller firms.

YOUR COMPANY'S EMPLOYEE BENEFITS

After the Chamber's previous benefits studies were published, several companies inquired how their data might be compiled on a comparable basis. This can be done by completing the questionnaire on pages 34-36 and performing the following computations.

1. Total benefit payments (Questionnaire items B through F) ..... $_____
2. "Full-time equivalent" employees (In questionnaire item H divide the hours for all employees by the hours for a full-time employee) ..... _____

Employee benefit payments as:

Percent of payroll (Item 1 above divided by questionnaire item A-7) ..... _____

Cents per payroll hour (Item 1 above divided by the hours for all employees in questionnaire item H) ..... _____

Dollars per year per employee (Item 1 above divided by item 2 above) ..... _____

	Our Company	Our Industry	All Manufacturing	All non-Manufacturing	All Industries
Employee benefits as:					
Percent of payroll	_____%	_____%	38.7%	34.9%	36.6%
Cents per payroll hour	_____¢	_____¢	393.2¢	349.9¢	369.1¢
Dollars per year per employee	$_____	$_____	$8,110	$7,163	$7,582

16. COPY OF QUESTIONNAIRE USED IN SURVEY

INSTRUCTIONS

EMPLOYEE BENEFITS SURVEY—1983

THIS SURVEY IS CONFIDENTIAL

Data of individual firms will not be disclosed. Data furnished will be published only in the form of totals for groups of companies. Only persons handling the research will see your report.

1. **COVERAGE.** If you have several divisions or plants, data covering any typical group of employees will be satisfactory.
2. **EMPLOYEES COVERED IN SURVEY.** Except for banks, financial institutions, etc., limit data included in this report to hourly rated employees and to salaried employees who are paid on a similar basis. That is, include data for salaried employees if their pay varies depending on whether they work overtime, or less than full time, but do not include them if they receive their regular daily or weekly pay regardless of hours worked. Since this definition would exclude many employees of **banks, financial institutions, etc.,** for these firms please include all nonsupervisory employees and all working supervisors, regardless of their method of payment. Please exclude all officers of company. **Hospitals** having difficulty making this employee separation can also include data for all employees.
3. **APPROXIMATE OR INCOMPLETE DATA.** If you are unable to give exact data for the various items in the questionnaire, please give estimates—we would prefer a good estimate to a blank space. If you are unable to break down the data on payments exactly as we have outlined it, please give the data that is available. Please indicate the items for which payments were made, but for which you cannot give separate figures.
4. **QUESTION A. GROSS PAYROLL DATA.** For this item, report actual wages (not take-home pay after deductions have been made). Report on line A-1 the straight-time wages for all hours, including pay for time not worked, plus payments in lieu of vacations and holidays. Report premium and bonus payments on other lines. Thus, if an employee's rate is $8.00 an hour for straight time and $4.00 additional for overtime after 40 hours, for each hour of overtime worked after 40 hours, $8.00 would be entered on line A-1, and $4.00 on line A-2.
5. **ITEMS C-1, C-4, and C-6. PENSION AND INSURANCE PREMIUMS.** For pension and insurance premiums, report net payments after deducting any dividends or credits returned to employer by insurer. In **pension programs** the company's long-term commitment is fixed, not tied to profits. Profit-sharing payments are reported as Item F-1.
6. **ITEM C-4. LIFE INSURANCE.** Exclude premiums for life insurance purchased under a pension plan. Such premiums should be reported under Item C-1.
7. **ITEM C-6. MEDICAL CARE INSURANCE.** Include premiums which supplement Medicare coverage of retired employees.
8. **ITEM F-1. PROFIT-SHARING PAYMENTS.** Company contributions are based on current profits of the business, fluctuating with current profit levels.
9. **ITEM F-2. CONTRIBUTIONS TO EMPLOYEE THRIFT PLANS.** Company contributions are not tied to current profit levels, but are a fixed proportion of amount contributed by employees.
10. **QUESTION G. EMPLOYEE PAYROLL DEDUCTIONS.** For this question report deductions from employee pay. Employer contributions are reported in questions B and C.
11. **QUESTION H. EMPLOYEE HOURS.** This is the number of hours worked or paid for, corresponding to earnings given on line A-1. **Employee hours for full-time employee.** Report the total number of hours for a typical full-time employee in 1983. It would be the number of hours representing the wages shown on line A-1, including paid vacation period, paid holidays, paid sick leave, etc. If hours would not be the same for all employees, show hours for the majority of employees.

Please return the filled-out questionnaire to:
EMPLOYEE BENEFITS SURVEY/ECONOMIC POLICY DIVISION
CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062

CONFIDENTIAL

EMPLOYEE BENEFITS SURVEY—1983

For Office Coding—Leave Blank

1 ____ ____ ____ ____

____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____

____ ____ ____ ____ ____ ____

27 ____ ____ ____

____ ____

____

Show actual data or best estimate for employees covered in survey.

Total amount for 1983

33 ____

A. GROSS PAYROLL FOR EMPLOYEES IN SURVEY: (See Instructions No. 4)

1. Straight time for employees in survey		$ ____	
2. Overtime premium pay	Include **BONUS AND**	$ ____	34 ____ ____ ____
3. Holiday premium pay	**PREMIUM PAY ONLY**	$ ____	____ ____ ____
4. Shift differential	on lines 2-6.	$ ____	40 ____ ____ ____
5. Earned incentive or production bonus	Report straight-time	$ ____	____ ____ ____
6. Other (Specify: ____)	pay on line 1.	$ ____	46 ____ ____ ____
7. Total gross payroll		$ ____	____ ____ ____ ____

B. LEGALLY REQUIRED PAYMENTS (employer's share only):

1. Old-Age, Survivors, Disability, and Health Insurance (employer FICA taxes)	$ ____	53 ____ ____ ____
2. Unemployment Compensation (federal and state taxes)	$ ____	____ ____ ____
3. Workers' Compensation (estimate cost if self-insured)	$ ____	59 ____ ____ ____
4. Railroad Retirement Tax	$ ____	
5. Railroad Unemployment and Cash Sickness Insurance	$ ____	
6. State sickness benefits insurance	$ ____	
7. Other (Specify: ____)	$ ____	____ ____ ____
8. Total	$ ____	

C. VOLUNTARY OR AGREED-UPON PAYMENTS (employer's share only):

1. Pension plan premiums under insurance and annuity contracts (net) (See Instructions No. 5)	$ ____	65 ____ ____ ____
2. Payments to uninsured trusteed pension plans	$ ____	____ ____ ____
3. Pension payments under unfunded pension programs	$ ____	71 ____ ____ ____
4. Life insurance premiums (net) (See Instructions Nos. 5 and 6)	$ ____	
5. Death benefits not covered by insurance	$ ____	
6. Hospital, surgical, medical, and major medical insurance premiums (net) (See Instructions No. 7)	$ ____	
7. Hospital, surgical, medical, and major medical payments self-insured	$ ____	6 ____ ____ ____
8. Short-term disability, sickness or accident insurance (company plan or insured plan)	$ ____	____ ____ ____
9. Salary or wage continuation or long-term disability (insured, self-administered, or trust)	$ ____	12 ____ ____ ____
10. Dental insurance premiums	$ ____	____ ____ ____
11. Discounts on goods and services purchased from company by employees	$ ____	18 ____ ____ ____
12. Employee meals furnished by company	$ ____	____ ____ ____
13. Child care	$ ____	
14. Parking	$ ____	
15. Physical and mental fitness programs	$ ____	
16. Other (vision care, prescription drugs, etc. Specify: ____)	$ ____	24 ____ ____ ____
17. Total	$ ____	

CONFIDENTIAL

	Total amount for 1983	For Office Coding—Leave Blank
D. PAID REST PERIODS, COFFEE BREAKS, LUNCH PERIODS, WASH-UP TIME, TRAVEL TIME, CLOTHES-CHANGE TIME, GET-READY TIME, ETC.	$	27
E. PAYMENTS FOR TIME NOT WORKED:		
1. Payments for or in lieu of vacations	$	30
2. Payments for or in lieu of holidays not worked	$	
3. Sick leave pay	$	36
4. Payments required under guaranteed workweek or work year	$	
5. Jury, witness, and voting pay allowances	$	
6. National Defense, State or National Guard duty	$	
7. Payment for time lost due to death in family or other personal reasons	$	
8. Maternity leave pay	$	
9. Other (Specify: _____)	$	39
10. Total	$	
F. OTHER ITEMS:		
1. Profit-sharing payments (See Instructions No. 8)		
(a) Current cash payments	$	42
(b) Payments to deferred profit-sharing trusts	$	
2. Contributions to employee thrift or stock purchase plans (See Instructions No. 9)	$	48
3. Christmas or other special bonuses (not tied to profits), service awards suggestion awards, etc.	$	
4. Employee education expenditures (tuition refunds, seminar attendance, etc.)	$	54
5. Payments to union stewards or officials for time spent in settling grievances or in negotiating agreements	$	
6. Special wage payments ordered by courts, wage adjustment boards, etc.	$	
7. Other (Specify: _____)	$	57
8. Total	$	
G. EMPLOYEE PAYROLL DEDUCTIONS: (See Instructions No. 10)		
1. Old-Age, Survivors, Disability, and Health Insurance (employee FICA taxes)	$	60
2. Railroad Retirement Tax	$	
3. State sickness benefits insurance tax	$	
4. Pension plan premiums or contributions	$	66
5. Life insurance premiums	$	
6. Hospital, surgical, medical, and major medical insurance premiums or contributions	$	
7. Other (Specify: _____) Do not include deductions for income tax	$	69
8. Total	$	
H. EMPLOYEE HOURS (hours worked or paid for, including time actually worked, plus holidays, vacation, sick leave, and other time paid for but not worked) (See Instructions No. 11):		
1. Total hours of **all employees** in survey during 1983 _____.		72
2. Total hours of **a typical full-time employee** during 1983 _____.		76

I. PRIMARY STANDARD INDUSTRIAL CLASSIFICATION CODE _____.

(Or type of business and principal lines or products manufactured or handled:)

_____

_____

_____

Please return the filled-out questionnaire to:
EMPLOYEE BENEFITS SURVEY/ECONOMIC POLICY DIVISION
CHAMBER OF COMMERCE OF THE UNITED STATES/WASHINGTON, D.C. 20062